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13 *Attorneys for Movant Southern*

14 UNITED STATES DISTRICT COURT
15 NORTHERN DISTRICT OF CALIFORNIA
16

17
18 IN RE LUMINENT MORTGAGE CAPITAL,
INC. SECURITIES LITIGATION

C 07-04073 PJH

19 **CLASS ACTION**

20 This Document Relates To:

21 ALL ACTIONS
22
23
24
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**DECLARATION OF DAVID C.
HARRISON IN SUPPORT OF
MOTION BY SOUTHERN FOR
APPOINTMENT AS LEAD
PLAINTIFF AND APPROVAL OF
THEIR SELECTION OF LEAD
COUNSEL**

Date: November 21, 2007

Time: 9:00 a.m.

Place: Courtroom 3, 17th Floor

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28 [3:07-cv-04073-PJH] DECLARATION OF DAVID C. HARRISON IN SUPPORT OF MOTION BY SOUTHERN FOR
APPOINTMENT AS LEAD PLAINTIFF AND APPROVAL OF LEAD COUNSEL

2031 / DECL / 00084452.WPD v1

1 DAVID C. HARRISON hereby declares pursuant to 28 U.S.C. § 1746 as follows:

2 1. I am a principal of the law firm of Lowey Dannenberg Bemporad Selinger &
3 Cohen, P.C. ("Lowey Dannenberg"), which has been retained as counsel for The Southern
4 Improvement Company, VSA, Inc. and Allen Dayton (collectively "Southern") in this action. I
5 am duly admitted to practice in the State of New York. I make this Declaration In Support of
6 Motion of Southern for (1) Appointment of Lead Plaintiff and (2) Approval of Lead Counsel. I
7 have personal knowledge of the facts asserted herein.

8 2. Attached as Exhibit 1 are true and correct copies of Southern's certifications and
9 loss analyses.

10 3. Attached as Exhibit 2 is a true and correct copy of the initial notice of filing of a
11 class action against Luminent Mortgage Capital, Inc., published on August 8, 2007 on Prime
12 Newswire.

13 4. Attached as Exhibit 3 is a true and correct copy of the firm resume of Lowey
14 Dannenberg. As reflected in the resume, Lowey Dannenberg has substantial experience in the
15 prosecution of securities class actions. Lowey Dannenberg has been recognized as appropriate
16 lead counsel in cases brought pursuant to the PSLRA, including appointments in *In re Juniper*
17 *Networks, Inc. Securities Litigation*, 06-CV-04327-JW (N.D. Cal.) (representing the New York
18 City Pension Funds); *In re Bayer AG Securities Litigation*, 03 Civ. 1546 (WHP) (S.D.N.Y.)
19 (representing the New York State Common Retirement Fund and New York State Local
20 Retirement Systems); *In re MedPartners Securities Litigation*, No. CV-98-B-0067-S (N.D. Ala.)
21 (representing the Denver Employees Retirement Plan, the pension plan for employees of the city
22 and county of Denver, Colorado, as lead plaintiff); *DiRienzo v. Philip Services Corp.*, 232 F.3d
23 49 (2d Cir. 2000); *Winn v. Symons Int'l Group, Inc.*, IP 00-0310C-B/S (S.D. Ind.); *In re United*
24 *Healthcare Securities Litigation*, No. 98-1888 (JMR/FLN) (D. Minn.); and *In re Cinar Securities*
25 *Litigation*, No. CV 00 1086 (E.D.N.Y.).

26 5. Attached as Exhibit 4 are true and correct copies of attorney certifications required
27

1 under Local Rule 3-7(d).

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3 I declare under penalty of perjury that the foregoing is true and correct. Executed this 17th
4 day of October, 2007, at White Plains, New York.

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DAVID C. HARRISON

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[3:07-cv-04073-PJH] DECLARATION OF DAVID C. HARRISON IN SUPPORT OF MOTION BY SOUTHERN FOR
APPOINTMENT AS LEAD PLAINTIFF AND APPROVAL OF LEAD COUNSEL

2031 / DECL / 00084452.WPD v1

EXHIBIT 1

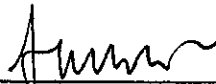
CERTIFICATION RE: LEAD PLAINTIFF

Allen Dayton hereby certifies as follows:

1. I am President of The Southern Improvement Company and authorized to enter into and execute this Certification on its behalf.
2. The Southern Improvement Company did not purchase or acquire the securities that are the subject of this class action at the direction of counsel or in order to participate in any private action under the federal securities laws.
3. I have reviewed the complaint filed against Luminent Mortgage Capital, Inc. ("Luminent") and others, captioned *Metzger v. Luminent Mortgage, Inc., et al.*, 07-CV-4686 (PJH), alleging violations of the securities laws on behalf of all those who purchased or otherwise acquired Luminent securities from October 10, 2006 to August 6, 2007 (the "Class Period"). As of this date, The Southern Improvement Company adopts these claims and Class Period on behalf of a class comprised of Luminent securities purchasers and sellers of put option contracts.
4. The Southern Improvement Company is willing to serve as lead plaintiff in these consolidated cases, including providing testimony at deposition and trial, if necessary.
5. The Southern Improvement Company's transactions in the securities of Luminent and option contracts during the Class Period are identified in the annexed chart.
6. The Southern Improvement Company has not sought to serve as a lead plaintiff in any class action under the federal securities laws during the last three years.
7. The Southern Improvement Company will not accept payment for serving as a lead plaintiff beyond its pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) as ordered or approved by the Court.

I declare that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated: October 5, 2007.

A handwritten signature in black ink, appearing to read "Allen Dayton", is written over a horizontal line.

Allen Dayton
President
The Southern Improvement Company

Southern Improvement Company
Luminent Mortgage Transactions

COMMON STOCK

Date	Transaction	# Shares Bought	# Shares Sold	Price/Share	(Cost)/Proceeds
6/27/2007	Bought	28		9.77	(278.56)
6/28/2007	Bought	90		10.03	(907.70)
6/28/2007	Bought	100		10.02	(1,007.00)
6/29/2007	Bought	2,000		9.87	(19,750.00)
6/29/2007	Bought	5,000		10.22	(51,110.00)
6/29/2007	Bought	5,000		10.19	(50,960.00)
7/13/2007	Bought	5,000		9.95	(49,759.00)
7/16/2007	Bought	110		9.4999	(1,053.99)
7/25/2007	Bought	2,000		8.76	(17,520.00)
7/26/2007	Bought	5,000		9.05	(45,259.00)
7/26/2007	Bought	5,000		9.05	(45,259.00)
7/26/2007	Bought	5,000		9.06	(45,309.00)
7/26/2007	Bought	1,000		9.04	(9,049.00)
7/26/2007	Bought	5,000		9.05	(45,259.00)
7/26/2007	Bought	5,000		9.07	(45,359.00)
7/26/2007	Bought	5,000		9.08	(45,409.00)
7/26/2007	Bought	400		9.04	(3,625.00)
7/26/2007	Bought	5,000		9.06	(45,309.00)
7/26/2007	Bought	5,000		9.05	(45,259.00)
7/26/2007	Bought	5,000		9.05	(45,259.00)
7/26/2007	Bought	4,900		9.05	(44,354.00)
7/27/2007	Bought	5,000		9.04	(45,209.00)
7/27/2007	Bought	5,000		9.0099	(45,058.50)
7/27/2007	Bought	800		9.011	(7,210.24)
7/27/2007	Bought	4,200		9.02	(37,891.56)
7/27/2007	Bought	5,000		9.01	(45,059.00)
7/27/2007	Bought	5,000		9.03	(45,159.00)
7/27/2007	Bought	5,000		9.04	(45,209.00)
7/27/2007	Bought	5,000		9.06	(45,309.00)
7/27/2007	Bought	900		9.13	(8,219.79)
7/27/2007	Bought	200		9.14	(1,828.62)
7/27/2007	Bought	1,800		9.15	(16,475.59)
7/27/2007	Bought	1,200		9.01	(10,821.00)
7/27/2007	Bought	300		9.02	(2,715.00)
7/27/2007	Bought	1,700		9.05	(15,394.00)
7/27/2007	Bought	500		9.06	(4,539.00)
7/27/2007	Bought	2,900		9.06	(26,283.00)
7/27/2007	Bought	2,000		9.1199	(18,244.09)
7/27/2007	Bought	2,200		9.12	(20,068.71)
7/30/2007	Bought	200		8.4899	(1,706.98)
7/30/2007	Bought	100		8.45	(854.00)
7/31/2007	Bought	5,000		7.94	(39,709.00)
7/31/2007	Bought	5,000		7.99	(39,959.00)
7/31/2007	Bought	5,000		7.98	(39,909.00)
7/31/2007	Bought	5,000		7.97	(39,859.00)
7/31/2007	Bought	1,500		7.9799	(11,974.35)
7/31/2007	Bought	1,500		7.98	(11,974.50)
7/31/2007	Bought	5,000		8	(40,009.00)
7/31/2007	Bought	5,000		8	(40,014.00)

Southern Improvement Company
Luminent Mortgage Transactions

COMMON STOCK

Date	Transaction	# Shares Bought	# Shares Sold	Price/Share	(Cost)/Proceeds
7/31/2007	Bought	3,100		7.87	(24,406.00)
7/31/2007	Bought	1,000		7.96	(7,969.00)
7/31/2007	Bought	500		7.9899	(3,997.20)
7/31/2007	Bought	1,500		7.99	(11,991.75)
8/6/2007	Sold		(5,000)	3.82	19,100.00
8/7/2007	Sold		(5,000)	0.76	3,800.00
8/7/2007	Sold		(2,618)	0.76	1,989.68
8/7/2007	Sold		(1,600)	0.46	736.00
8/10/2007	Sold		(5,000)	0.82	4,070.93
8/10/2007	Sold		(5,000)	0.75	3,720.94
8/10/2007	Sold		(600)	0.76	452.51
8/10/2007	Sold		(4,400)	0.77	3,362.42
8/10/2007	Sold		(5,000)	0.8	3,970.93
8/10/2007	Sold		(5,000)	0.84	4,170.93
8/10/2007	Sold		(5,000)	0.9	4,470.93
8/10/2007	Sold		(5,000)	0.9	3,970.93
8/13/2007	Sold		(5,000)	1.04	5,190.92
8/13/2007	Sold		(100)	1.03	102.81
8/13/2007	Sold		(4,900)	1.05	5,136.10
8/13/2007	Sold		(1,000)	1.05	1,048.18
8/13/2007	Sold		(1,500)	1.06	1,587.27
8/13/2007	Sold		(2,500)	1.07	2,670.45
8/13/2007	Sold		(5,000)	1.05	5,240.91
8/13/2007	Sold		(5,000)	0.93	4,599.42
8/13/2007	Sold		(200)	0.91	179.90
8/13/2007	Sold		(300)	0.92	272.83
8/13/2007	Sold		(600)	0.93	551.61
8/13/2007	Sold		(300)	0.95	281.74
8/13/2007	Sold		(100)	1.01	100.69
8/13/2007	Sold		(1,400)	1.06	1,479.77
8/13/2007	Sold		(100)	1.07	106.69
8/13/2007	Sold		(117)	1.05	113.84
8/13/2007	Sold		(5,000)	0.92	4,549.92
8/13/2007	Sold		(3,489)	0.92	3,174.94
8/13/2007	Sold		(911)	0.9202	829.17
8/13/2007	Sold		(600)	0.9203	546.17
8/13/2007	Sold		(5,000)	0.92	4,549.92
8/13/2007	Sold		(3,100)	0.9202	2,821.56
8/13/2007	Sold		(1,900)	0.9206	1,730.10
8/13/2007	Sold		(3,000)	0.92	2,729.95
8/13/2007	Sold		(2,000)	0.9203	1,820.57
8/13/2007	Sold		(5,000)	0.93	4,599.42
8/13/2007	Sold		(3,500)	0.93	3,219.60
8/13/2007	Sold		(1,500)	0.94	1,394.67
8/13/2007	Sold		(2,725)	0.97	2,614.59
8/13/2007	Sold		(275)	0.98	266.57
8/13/2007	Sold		(2,000)	0.985	1,948.66
8/13/2007	Sold		(1,400)	0.955	1,322.48
8/13/2007	Sold		(3,600)	0.96	3,418.50

Southern Improvement Company
Luminent Mortgage Transactions

COMMON STOCK

Date	Transaction	# Shares Bought	# Shares Sold	Price/Share	(Cost)/Proceeds
8/13/2007	Sold		(1,233)	0.92	1,122.01
8/13/2007	Sold		(3,767)	0.93	3,465.21
8/13/2007	Sold		(3,000)	0.92	2,732.35
8/13/2007	Sold		(2,000)	0.9203	1,822.17
8/13/2007	Sold		(5,000)	0.92	4,553.92
8/13/2007	Sold		(11,883)	0.92	10,836.23
8/13/2007	Sold		(500)	0.9202	456.05
8/14/2007	Sold		(3,300)	0.7603	2,482.36
8/14/2007	Sold		(300)	0.7604	225.70

OPTIONS

Date	Transaction	Security	Number of Contracts	Strike Price	Expiration Date	Total Sale Price
6/28/2007	Sold	Put	20	7.5	Jan-08	845.98
7/2/2007	Sold	Put	10	10	Jan-08	1,260.98
7/2/2007	Sold	Put	100	7.5	Jan-08	3,285.94
7/10/2007	Sold	Put	25	10	Oct-07	1,810.97
7/12/2007	Sold	Put	100	7.5	Jan-08	5,285.91
6/26/2007	Sold	Call	20	20	Oct-07	1,474.97
7/11/2007	Sold	Call	11	10	Aug-07	403.99
7/11/2007	Sold	Call	39	10	Aug-07	1,467.97
7/24/2007	Sold	Call	16	10	Oct-07	777.98
8/2/2007	Sold	Call	40	10	Oct-07	959.98
8/3/2007	Sold	Call	200	10	Jan-08	9,585.84
8/7/2007	Bought to cover	Call	76	10	Oct-07	(447.00)

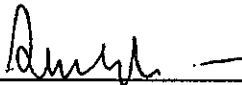
CERTIFICATION RE: LEAD PLAINTIFF

Allen Dayton hereby certifies as follows:

1. I am President of VSA Inc. ("VSA") and authorized to enter into and execute this Certification on its behalf.
2. VSA did not purchase or acquire the securities that are the subject of this class action at the direction of counsel or in order to participate in any private action under the federal securities laws.
3. I have reviewed the complaint filed against Luminent Mortgage Capital, Inc. ("Luminent") and others, captioned *Metzger v. Luminent Mortgage, Inc., et al.*, 07-CV-4686 (PJH), alleging violations of the securities laws on behalf of all those who purchased or otherwise acquired Luminent securities from October 10, 2006 to August 6, 2007 (the "Class Period"). As of this date, VSA adopts these claims and Class Period on behalf of a class comprised of Luminent securities purchasers and sellers of put option contracts.
4. VSA is willing to serve as lead plaintiff in these consolidated cases, including providing testimony at deposition and trial, if necessary.
5. VSA's transactions in the securities of Luminent and option contracts during the Class Period are identified in the annexed chart.
6. VSA has not sought to serve as a lead plaintiff in any class action under the federal securities laws during the last three years.
7. VSA will not accept payment for serving as a lead plaintiff beyond its pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) as ordered or approved by the Court.

I declare that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated: October 5, 2007



Allen Dayton
President
VSA Inc.

VSA Inc.
Luminent Mortgage Transactions

OPTIONS

Date	Transaction	Security	Number of Contracts	Strike Price	Expiration Date	Total Sale Price
6/28/2007	Sold	Put	20	7.5	Jan-08	845.98
7/2/2007	Sold	Put	10	10	Jan-08	1260.98
7/10/2007	Sold	Put	25	10	Oct-07	1810.97

COMMON STOCK

Date	Transaction	# Shares Bought	# Shares Sold	Price/Share	(Cost)/Proceeds
8/8/2007	Bought	500		7.5	(3,779.00)
8/8/2007	Sold		(500)	1.3901	686.03
9/13/2007	Bought*	700		10	(7,029.00)

* Option assignment

CERTIFICATION RE: LEAD PLAINTIFF

Allen Dayton hereby certifies as follows:

1. I did not purchase or acquire the securities that are the subject of this class action at the direction of counsel or in order to participate in any private action under the federal securities laws.
2. I have reviewed the complaint filed against Luminent Mortgage Capital, Inc. ("Luminent") and others, captioned *Metzger v. Luminent Mortgage, Inc., et al.*, 07-CV-4686 (PJH), alleging violations of the securities laws on behalf of all those who purchased or otherwise acquired Luminent securities from October 10, 2006 to August 6, 2007 (the "Class Period"). As of this date, I adopt these claims and Class Period on behalf of a class comprised of Luminent securities purchasers and sellers of put option contracts.
3. I am willing to serve as lead plaintiff in these consolidated cases, including providing testimony at deposition and trial, if necessary.
4. My transactions in the securities of Luminent and option contracts during the Class Period are identified in the annexed chart.
5. I have not sought to serve as a lead plaintiff in any class action under the federal securities laws during the last three years.
6. I will not accept payment for serving as a lead plaintiff beyond its pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) as ordered or approved by the Court.

I declare that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated: October 5, 2007



ALLEN DAYTON

Allen Dayton
Luminent Mortgage Transactions

COMMON STOCK

Date	Transaction	# Shares Bought	# Shares Sold	Price/Share	(Cost)/Proceeds
6/26/2007	Bought	200		9.89	(1,979.80)
6/27/2007	Bought	150		9.5599	(1,442.99)
6/26/2007	Bought	800		9.88	(7,911.20)
7/23/2007	Bought	300		9.12	(2,745.00)
7/19/2007	Bought	200		9.0799	(1,824.98)
7/11/2007	Bought	400		9.5399	(3,824.96)
8/8/2007	Bought *	2000		7.5	(15,029.00)
8/7/2007	Sold		(2,050)	0.65	1303.47
8/8/2007	Sold		(2,000)	1.38	2750.95

* Option Assignment

OPTIONS

Date	Transaction	Security	Number of Contracts	Strike Price	Expiration Date	Total Sale Price
6/27/2007	Sold	Put	20	7.5	Jan-08	845.98
6/29/2007	Sold	Put	10	10	Jan-08	1260.98

LUMINENT: TABLE OF LOSSES

<u>Name</u>	<u>Stock Losses (\$)</u>	<u>Option Losses (\$)</u>	<u>Totals (\$)</u>
The Southern Improvement Co.	1,252,586	141,284	1,393,870
VSA	-0-	38,584	38,584
Allen Dayton	<u>18,425</u>	<u>19,687</u>	<u>38,112</u>
TOTALS	1,271,011	199,555	1,470,566

Southern Improvement
Summary of Analyses
Luminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

	FIFO Share Accounting Basis	LIFO Share Accounting Basis	Calculation
Trading Analysis			
Shares Held @ 10/10/2006	-	-	(1)
Class Period Purchases Shares	158,728	158,728	(2)
Dollars	\$ 1,412,082.13	\$ 1,412,082.13	(3)
Class Period Sales Shares	5,000	-	(4)
Dollars	\$ 19,100.00	-	(5)
Shares Held 08/06/2007	153,728	158,728	(6) = (1) + (2) - (4)
"Lookback Period" Sales (1) Shares	148,318	153,318	(7)
Dollars	\$ 132,612.12	\$ 151,712.12	(8)
Shares Held @ 10/05/2007 (2)	5,410	5,410	(9) = (6) - (7)
Net Expenditure Analysis			
Net Class Period Purchases (Sales) (1) Shares	153,728	158,728	(10) = (2) - (4)
Dollars (Net Expenditures) (Net Proceeds)	\$ 1,392,982.13	\$ 1,412,082.13	(11) = (3) - (5)
Net Class Period + "Lookback Period" Purchases (Sales) (1) Shares	5,410	5,410	(12) = (10) - (7)
Dollars (Net Expenditures)	\$ 1,260,370.01	\$ 1,260,370.01	(13) = (11) - (8)
Gain (Loss) Analysis			
Gain (Loss) on Class Period Purchases (3)	\$ (1,252,585.77)	\$ (1,252,585.77)	(14)
Less: Offset for Pre-Class Holdings Sold Above \$1.4389	\$ -	\$ -	(15)
Gain (Loss) After Offset	\$ (1,252,585.77)	\$ (1,252,585.77)	(16) = (14) + (15)

Notes:

- (1) Sales attributable to Pre-Class Period Holdings and Class Period Purchases only; Figures may not be equal under FIFO and LIFO as under LIFO, post-Class Period sales are first allocated to post-Class Period purchases, if any.
- (2) Holdings attributable to Pre-Class Period Holding and Class Period Purchases only; Figures may not be equal under FIFO and LIFO as under LIFO, post-Class Period sales are first allocated to post-Class Period purchases, if any.
- (3) Class Period Purchases held as of 10/05/2007 valued at \$1.4389, the average closing price of Luminant Mortgage Capital, Inc. common stock between 08/07/2007 and 10/05/2007 (60-Day "Lookback Period").
- (4) Sales of Pre-Class Period Holdings.

Southern Improvement
First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
Luminent Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above
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Pre-Class Period Holdings 0

1A. Pre-Class Period Holdings Sold Through End of Class Period

Pre-Class Period Holdings

1A. Total	0				0	\$	-	0	\$	-
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Southern Improvement
 First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
 Luminant Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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1B. Pre-Class Period Holdings Sold During "Lookback Period"

Pre-Class Period Holdings

1B. Total	0				0	\$	-	0		0	\$	-
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Southern Improvement
First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
Luminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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IC. Pre-Class Period Holdings Held at End of "Lookback Period"

Pre-Class Period Holdings 0 0

IC. Total 0 \$ - 0 \$ -

**Southern Improvement
First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
Luminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007**

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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2A. Class Period Purchases Sold Prior to End of Class Period

Purchase	06/27/2007	\$9.949	28	\$ 278.56	Sale	08/06/2007	\$3.820	28	\$ 106.96	0	\$ (171.60)	
Purchase	06/28/2007	\$10.086	90	\$ 907.70	Sale	08/06/2007	\$3.820	90	\$ 343.80	0	\$ (563.90)	
Purchase	06/28/2007	\$10.070	100	\$ 1,007.00	Sale	08/06/2007	\$3.820	100	\$ 382.00	0	\$ (625.00)	
Purchase	06/29/2007	\$9.875	2,000	\$ 19,750.00	Sale	08/06/2007	\$3.820	2,000	\$ 7,640.00	0	\$ (12,110.00)	
Purchase	06/29/2007	\$10.222	2,782	\$ 28,437.60	Sale	08/06/2007	\$3.820	2,782	\$ 10,627.24	0	\$ (17,810.36)	

2A. Total			5,000	\$ 50,380.86				5,000	\$ 19,100.00	0	\$ (31,280.86)	\$ -
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Southern Improvement
First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
Luminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

2B. Class Period Purchases Sold During "Lookback Period"

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
Purchase	06/29/2007	\$10.222	2,218	\$ 22,672.40	Sale	08/07/2007	\$0.760	2,218	\$ 1,685.68	0	\$ (20,986.72)	
Purchase	06/29/2007	\$10.192	2,782	\$ 28,354.14	Sale	08/07/2007	\$0.760	2,782	\$ 2,114.32	0	\$ (26,239.82)	
Purchase	06/29/2007	\$10.192	2,218	\$ 22,605.86	Sale	08/07/2007	\$0.760	2,218	\$ 1,685.68	0	\$ (20,920.18)	
Purchase	07/13/2007	\$9.952	400	\$ 3,980.72	Sale	08/07/2007	\$0.760	400	\$ 304.00	0	\$ (3,676.72)	
Purchase	07/13/2007	\$9.952	1,600	\$ 15,922.88	Sale	08/07/2007	\$0.814	1,600	\$ 736.00	0	\$ (15,186.88)	
Purchase	07/13/2007	\$9.952	3,000	\$ 29,855.40	Sale	08/10/2007	\$0.814	3,000	\$ 2,442.56	0	\$ (27,412.84)	
Purchase	07/16/2007	\$9.582	110	\$ 1,053.99	Sale	08/10/2007	\$0.814	110	\$ 89.56	0	\$ (964.43)	
Purchase	07/25/2007	\$8.760	1,890	\$ 16,556.40	Sale	08/10/2007	\$0.744	1,890	\$ 1,538.81	0	\$ (15,017.59)	
Purchase	07/25/2007	\$8.760	110	\$ 963.60	Sale	08/10/2007	\$0.744	110	\$ 81.86	0	\$ (881.74)	
Purchase	07/26/2007	\$9.052	4,890	\$ 44,263.30	Sale	08/10/2007	\$0.754	4,890	\$ 3,639.08	0	\$ (40,624.22)	
Purchase	07/26/2007	\$9.052	110	\$ 995.70	Sale	08/10/2007	\$0.754	110	\$ 82.96	0	\$ (912.74)	
Purchase	07/26/2007	\$9.052	490	\$ 4,435.38	Sale	08/10/2007	\$0.754	490	\$ 369.55	0	\$ (4,065.83)	
Purchase	07/26/2007	\$9.052	4,400	\$ 39,827.92	Sale	08/10/2007	\$0.764	4,400	\$ 3,362.42	0	\$ (36,465.50)	
Purchase	07/26/2007	\$9.052	110	\$ 995.70	Sale	08/10/2007	\$0.794	110	\$ 87.36	0	\$ (908.34)	
Purchase	07/26/2007	\$9.062	4,890	\$ 44,312.20	Sale	08/10/2007	\$0.794	4,890	\$ 3,883.57	0	\$ (40,428.63)	
Purchase	07/26/2007	\$9.049	110	\$ 996.80	Sale	08/10/2007	\$0.834	110	\$ 91.76	0	\$ (905.04)	
Purchase	07/26/2007	\$9.052	3,890	\$ 35,211.50	Sale	08/10/2007	\$0.834	3,890	\$ 3,244.98	0	\$ (31,966.52)	
Purchase	07/26/2007	\$9.052	1,110	\$ 10,047.50	Sale	08/10/2007	\$0.894	1,110	\$ 992.55	0	\$ (9,054.95)	
Purchase	07/26/2007	\$9.072	3,890	\$ 35,289.30	Sale	08/10/2007	\$0.894	3,890	\$ 3,478.38	0	\$ (31,810.92)	
Purchase	07/26/2007	\$9.082	3,890	\$ 35,328.20	Sale	08/10/2007	\$0.794	3,890	\$ 3,089.38	0	\$ (32,238.82)	
Purchase	07/26/2007	\$9.063	400	\$ 3,625.00	Sale	08/13/2007	\$1.038	400	\$ 415.27	0	\$ (3,209.73)	
Purchase	07/26/2007	\$9.062	3,490	\$ 31,625.68	Sale	08/13/2007	\$1.038	3,490	\$ 3,623.26	0	\$ (28,002.42)	
Purchase	07/26/2007	\$9.062	100	\$ 906.18	Sale	08/13/2007	\$1.028	100	\$ 102.81	0	\$ (803.37)	
Purchase	07/26/2007	\$9.062	3,490	\$ 31,599.78	Sale	08/13/2007	\$1.048	3,490	\$ 3,658.16	0	\$ (27,932.62)	
Purchase	07/26/2007	\$9.052	1,000	\$ 9,051.80	Sale	08/13/2007	\$1.048	1,000	\$ 1,048.18	0	\$ (8,003.62)	
Purchase	07/26/2007	\$9.052	510	\$ 4,616.42	Sale	08/13/2007	\$1.058	510	\$ 539.67	0	\$ (4,076.75)	
Purchase	07/26/2007	\$9.052	990	\$ 8,961.28	Sale	08/13/2007	\$1.058	990	\$ 1,047.60	0	\$ (7,913.68)	
Purchase	07/26/2007	\$9.052	2,500	\$ 22,629.50	Sale	08/13/2007	\$1.068	2,500	\$ 2,670.45	0	\$ (19,959.05)	
Purchase	07/26/2007	\$9.052	1,510	\$ 13,668.22	Sale	08/13/2007	\$1.048	1,510	\$ 1,582.75	0	\$ (12,085.46)	
Purchase	07/26/2007	\$9.052	3,490	\$ 31,590.91	Sale	08/13/2007	\$0.920	3,490	\$ 3,658.16	0	\$ (27,932.76)	
Purchase	07/26/2007	\$9.052	1,410	\$ 12,763.09	Sale	08/13/2007	\$0.920	1,410	\$ 1,297.04	0	\$ (11,466.05)	

**Southern Improvement
First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
Luminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007**

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above
Purchase	07/27/2007	\$9.042	3,590	\$ 32,460.06	Sale	08/13/2007	\$0.920	3,590	\$ 3,302.38	0	\$ (29,157.68)	
Purchase	07/27/2007	\$9.042	200	\$ 1,808.36	Sale	08/13/2007	\$0.900	200	\$ 179.90	0	\$ (1,628.46)	
Purchase	07/27/2007	\$9.042	300	\$ 2,712.54	Sale	08/13/2007	\$0.909	300	\$ 272.83	0	\$ (2,439.71)	
Purchase	07/27/2007	\$9.042	600	\$ 5,425.08	Sale	08/13/2007	\$0.919	600	\$ 551.61	0	\$ (4,873.47)	
Purchase	07/27/2007	\$9.042	300	\$ 2,712.54	Sale	08/13/2007	\$0.939	300	\$ 281.74	0	\$ (2,430.80)	
Purchase	07/27/2007	\$9.042	10	\$ 90.42	Sale	08/13/2007	\$1.007	10	\$ 10.07	0	\$ (80.35)	
Purchase	07/27/2007	\$9.012	90	\$ 811.05	Sale	08/13/2007	\$1.007	90	\$ 90.62	0	\$ (720.43)	
Purchase	07/27/2007	\$9.012	1,400	\$ 12,616.38	Sale	08/13/2007	\$1.057	1,400	\$ 1,479.77	0	\$ (11,136.61)	
Purchase	07/27/2007	\$9.012	100	\$ 901.17	Sale	08/13/2007	\$1.067	100	\$ 106.69	0	\$ (794.48)	
Purchase	07/27/2007	\$9.012	117	\$ 1,054.37	Sale	08/13/2007	\$0.973	117	\$ 113.84	0	\$ (940.53)	
Purchase	07/27/2007	\$9.012	3,293	\$ 29,675.53	Sale	08/13/2007	\$0.910	3,293	\$ 2,996.58	0	\$ (26,678.95)	
Purchase	07/27/2007	\$9.013	800	\$ 7,210.24	Sale	08/13/2007	\$0.910	800	\$ 727.99	0	\$ (6,482.25)	
Purchase	07/27/2007	\$9.022	907	\$ 8,182.77	Sale	08/13/2007	\$0.910	907	\$ 825.36	0	\$ (7,357.42)	
Purchase	07/27/2007	\$9.022	3,293	\$ 29,708.79	Sale	08/13/2007	\$0.910	3,293	\$ 2,996.58	0	\$ (26,712.20)	
Purchase	07/27/2007	\$9.012	196	\$ 1,766.31	Sale	08/13/2007	\$0.910	196	\$ 178.36	0	\$ (1,587.96)	
Purchase	07/27/2007	\$9.012	911	\$ 8,209.75	Sale	08/13/2007	\$0.910	911	\$ 829.17	0	\$ (7,380.58)	
Purchase	07/27/2007	\$9.012	600	\$ 5,407.08	Sale	08/13/2007	\$0.910	600	\$ 546.17	0	\$ (4,860.91)	
Purchase	07/27/2007	\$9.012	3,293	\$ 29,675.86	Sale	08/13/2007	\$0.910	3,293	\$ 2,996.58	0	\$ (26,679.28)	
Purchase	07/27/2007	\$9.032	1,707	\$ 15,417.28	Sale	08/13/2007	\$0.910	1,707	\$ 1,553.34	0	\$ (13,863.94)	
Purchase	07/27/2007	\$9.032	3,100	\$ 27,998.58	Sale	08/13/2007	\$0.910	3,100	\$ 2,821.56	0	\$ (25,177.02)	
Purchase	07/27/2007	\$9.032	193	\$ 1,743.14	Sale	08/13/2007	\$0.911	193	\$ 175.74	0	\$ (1,567.40)	
Purchase	07/27/2007	\$9.042	1,707	\$ 15,434.35	Sale	08/13/2007	\$0.910	1,707	\$ 1,554.36	0	\$ (13,879.99)	
Purchase	07/27/2007	\$9.042	3,000	\$ 27,125.40	Sale	08/13/2007	\$0.910	3,000	\$ 2,729.95	0	\$ (24,395.45)	
Purchase	07/27/2007	\$9.042	293	\$ 2,649.25	Sale	08/13/2007	\$0.910	293	\$ 266.71	0	\$ (2,382.53)	
Purchase	07/27/2007	\$9.062	1,707	\$ 15,468.49	Sale	08/13/2007	\$0.910	1,707	\$ 1,553.86	0	\$ (13,914.64)	
Purchase	07/27/2007	\$9.062	3,293	\$ 29,840.51	Sale	08/13/2007	\$0.920	3,293	\$ 3,029.18	0	\$ (26,811.33)	
Purchase	07/27/2007	\$9.133	900	\$ 8,219.79	Sale	08/13/2007	\$0.920	900	\$ 827.90	0	\$ (7,391.89)	
Purchase	07/27/2007	\$9.143	200	\$ 1,828.62	Sale	08/13/2007	\$0.920	200	\$ 183.98	0	\$ (1,644.64)	
Purchase	07/27/2007	\$9.153	607	\$ 5,555.94	Sale	08/13/2007	\$0.920	607	\$ 558.37	0	\$ (4,997.57)	
Purchase	07/27/2007	\$9.153	1,193	\$ 10,919.65	Sale	08/13/2007	\$0.920	1,193	\$ 1,097.42	0	\$ (9,822.23)	
Purchase	07/27/2007	\$9.018	1,200	\$ 10,821.00	Sale	08/13/2007	\$0.920	1,200	\$ 1,103.86	0	\$ (9,717.14)	
Purchase	07/27/2007	\$9.050	300	\$ 2,715.00	Sale	08/13/2007	\$0.920	300	\$ 275.97	0	\$ (2,439.03)	
Purchase	07/27/2007	\$9.055	807	\$ 7,307.62	Sale	08/13/2007	\$0.920	807	\$ 742.35	0	\$ (6,565.27)	
Purchase	07/27/2007	\$9.055	893	\$ 8,086.38	Sale	08/13/2007	\$0.930	893	\$ 830.29	0	\$ (7,256.08)	
Purchase	07/27/2007	\$9.078	500	\$ 4,539.00	Sale	08/13/2007	\$0.930	500	\$ 464.89	0	\$ (4,074.11)	
Purchase	07/27/2007	\$9.063	107	\$ 969.75	Sale	08/13/2007	\$0.930	107	\$ 99.49	0	\$ (870.27)	
Purchase	07/27/2007	\$9.063	2,725	\$ 24,696.96	Sale	08/13/2007	\$0.959	2,725	\$ 2,614.59	0	\$ (22,082.37)	

Southern Improvement
First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
Luminent Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007		Gain (Loss) ¹	Offset for Shares Sold Into Class Above
Purchase	07/27/2007	\$9.063	68	\$ 616.29	Sale	08/13/2007	\$0.969	68	\$ 65.92	0	\$	(\$50.38)	
Purchase	07/27/2007	\$9.122	207	\$ 1,888.26	Sale	08/13/2007	\$0.969	207	\$ 200.65	0	\$	(1,687.61)	
Purchase	07/27/2007	\$9.122	1,793	\$ 16,355.83	Sale	08/13/2007	\$0.974	1,793	\$ 1,746.97	0	\$	(14,608.85)	
Purchase	07/27/2007	\$9.122	207	\$ 1,888.28	Sale	08/13/2007	\$0.974	207	\$ 201.69	0	\$	(1,686.60)	
Purchase	07/27/2007	\$9.122	1,400	\$ 12,771.00	Sale	08/13/2007	\$0.945	1,400	\$ 1,322.48	0	\$	(11,448.52)	
Purchase	07/27/2007	\$9.122	593	\$ 5,409.43	Sale	08/13/2007	\$0.950	593	\$ 563.10	0	\$	(4,846.33)	
Purchase	07/30/2007	\$8.535	200	\$ 1,706.98	Sale	08/13/2007	\$0.950	200	\$ 189.92	0	\$	(1,517.06)	
Purchase	07/30/2007	\$8.540	100	\$ 854.00	Sale	08/13/2007	\$0.950	100	\$ 94.96	0	\$	(759.04)	
Purchase	07/31/2007	\$7.942	2,707	\$ 21,498.45	Sale	08/13/2007	\$0.950	2,707	\$ 2,570.52	0	\$	(18,927.93)	
Purchase	07/31/2007	\$7.942	1,233	\$ 9,792.24	Sale	08/13/2007	\$0.910	1,233	\$ 1,122.01	0	\$	(8,670.23)	
Purchase	07/31/2007	\$7.942	1,060	\$ 8,418.31	Sale	08/13/2007	\$0.920	1,060	\$ 975.08	0	\$	(7,443.23)	
Purchase	07/31/2007	\$7.992	2,707	\$ 21,633.80	Sale	08/13/2007	\$0.920	2,707	\$ 2,490.13	0	\$	(19,143.67)	
Purchase	07/31/2007	\$7.992	2,293	\$ 18,325.20	Sale	08/13/2007	\$0.911	2,293	\$ 2,088.43	0	\$	(16,236.77)	
Purchase	07/31/2007	\$7.982	707	\$ 5,643.13	Sale	08/13/2007	\$0.911	707	\$ 643.92	0	\$	(4,999.21)	
Purchase	07/31/2007	\$7.982	2,000	\$ 15,963.60	Sale	08/13/2007	\$0.911	2,000	\$ 1,822.17	0	\$	(14,141.43)	
Purchase	07/31/2007	\$7.982	2,293	\$ 18,302.27	Sale	08/13/2007	\$0.911	2,293	\$ 2,088.43	0	\$	(16,213.84)	
Purchase	07/31/2007	\$7.972	2,707	\$ 21,579.66	Sale	08/13/2007	\$0.911	2,707	\$ 2,465.49	0	\$	(19,114.17)	
Purchase	07/31/2007	\$7.972	2,293	\$ 18,279.34	Sale	08/13/2007	\$0.912	2,293	\$ 2,091.01	0	\$	(16,188.33)	
Purchase	07/31/2007	\$7.983	1,500	\$ 11,974.35	Sale	08/13/2007	\$0.912	1,500	\$ 1,367.87	0	\$	(10,606.48)	
Purchase	07/31/2007	\$7.983	1,500	\$ 11,974.50	Sale	08/13/2007	\$0.912	1,500	\$ 1,367.87	0	\$	(10,606.63)	
Purchase	07/31/2007	\$8.002	5,000	\$ 40,009.00	Sale	08/13/2007	\$0.912	5,000	\$ 4,559.55	0	\$	(35,449.45)	
Purchase	07/31/2007	\$8.003	1,590	\$ 12,724.45	Sale	08/13/2007	\$0.912	1,590	\$ 1,449.94	0	\$	(11,274.51)	
Purchase	07/31/2007	\$8.003	500	\$ 4,001.40	Sale	08/13/2007	\$0.912	500	\$ 456.05	0	\$	(3,545.35)	
Purchase	07/31/2007	\$8.003	2,910	\$ 23,288.15	Sale	08/14/2007	\$0.752	2,910	\$ 2,188.99	0	\$	(21,099.16)	
Purchase	07/31/2007	\$7.873	390	\$ 3,070.43	Sale	08/14/2007	\$0.752	390	\$ 293.37	0	\$	(2,777.06)	
Purchase	07/31/2007	\$7.873	300	\$ 2,361.87	Sale	08/14/2007	\$0.752	300	\$ 225.70	0	\$	(2,136.17)	
2B. Total			148,318	\$ 1,318,769.62				148,318	\$ 132,612.12	0	\$	(1,186,157.50)	

**Southern Improvement
First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
Luminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007**

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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2C. Class Period Purchases Held At End of "Lookback Period"

Purchase	07/31/2007	\$7.873	2,410	\$ 18,973.70				2,410	\$ (15,506.04)			
Purchase	07/31/2007	\$7.969	1,000	\$ 7,969.00				1,000	\$ (6,530.14)			
Purchase	07/31/2007	\$7.994	500	\$ 3,997.20				500	\$ (3,277.77)			
Purchase	07/31/2007	\$7.995	1,500	\$ 11,991.75				1,500	\$ (9,833.46)			

2C. Total			5,410	\$ 42,931.65				0	\$ -	5,410	\$ (35,147.41)	
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Southern Improvement
First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
Lumiant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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Class Period Purchase Total 158,728 \$ 1,412,082.13 153,318 \$ 151,712.12 5,410 \$ (1,252,585.77) \$ -

Grand Total 158,728 \$ 1,412,082.13 153,318 \$ 151,712.12 5,410

Less: Offset for Pre-Class Period Holdings Sold Through End of "Lookback Period": \$ -

Total Including Offset for Pre-Class Period Holdings Sold Through End of "Lookback Period": \$ (1,252,585.77)

¹ For Class Period Purchases held at end of Lookback Period, Gain (Loss) is based on holdings valued at \$1.4389 per share

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

**Shares Sold
Into Class**

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Intro Class Above
Pre-Class Period Holdings				0								
1A. Pre-Class Period Holdings Sold Through End of Class Period												
Pre-Class Period Holdings												
1A. Total				0	0 \$				-	0	\$	-

Southern Improvement
 Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
 Luminant Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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1B. Pre-Class Period Holdings Sold During "Lookback Period"

0

\$

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1B. Total	0	\$	-	0	\$	-
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Southern Improvement
 Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
 Luminant Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
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"Lookback Period" Beginning:	8/7/2007
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Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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IC. Pre-Class Period Holdings Held at End of "Lookback Period"

Pre-Class Period Holdings 0 0

IC. Total 0 \$ - 0 \$ -

**Southern Improvement
Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
Luminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007**

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/1/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Offset for
Shares Sold[illegible]

2A. Class Period Purchases Sold Prior to End of Class Period

Purchase

2A. Total	0 \$	-	0 \$	-	0 \$	-	-
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**Southern Improvement
Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
Luminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007**

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

2B. Class Period Purchases Sold During "Lookback Period"

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above
Purchase	06/29/2007	\$10.192	2,708 \$	27,599.94	Sale	08/13/2007	\$0.912	2,708 \$	2,469.45	0 \$	(25,130.48)	
Purchase	06/29/2007	\$10.192	500 \$	5,096.00	Sale	08/13/2007	\$0.912	500 \$	456.05	0 \$	(4,639.95)	
Purchase	06/29/2007	\$10.222	1,508 \$	15,414.78	Sale	08/14/2007	\$0.752	1,508 \$	1,134.36	0 \$	(14,280.41)	
Purchase	06/29/2007	\$10.222	300 \$	3,066.60	Sale	08/14/2007	\$0.752	300 \$	225.70	0 \$	(2,840.90)	
Purchase	07/13/2007	\$9.952	1,792 \$	18,264.06	Sale	08/14/2007	\$0.752	1,792 \$	1,348.00	0 \$	(16,916.07)	
Purchase	07/13/2007	\$9.952	5,000 \$	49,759.00	Sale	08/13/2007	\$0.912	5,000 \$	4,559.55	0 \$	(45,199.45)	
Purchase	07/16/2007	\$9.582	110 \$	1,053.99	Sale	08/13/2007	\$0.912	110 \$	100.31	0 \$	(953.68)	
Purchase	07/25/2007	\$8.760	2,000 \$	17,520.00	Sale	08/13/2007	\$0.912	2,000 \$	1,823.82	0 \$	(15,696.18)	
Purchase	07/26/2007	\$9.052	2,935 \$	26,567.03	Sale	08/13/2007	\$0.911	2,935 \$	2,673.15	0 \$	(23,893.88)	
Purchase	07/26/2007	\$9.052	2,065 \$	18,691.97	Sale	08/13/2007	\$0.912	2,065 \$	1,883.09	0 \$	(16,808.87)	
Purchase	07/26/2007	\$9.052	935 \$	8,463.43	Sale	08/13/2007	\$0.911	935 \$	851.58	0 \$	(7,611.85)	
Purchase	07/26/2007	\$9.052	2,000 \$	18,103.60	Sale	08/13/2007	\$0.911	2,000 \$	1,822.17	0 \$	(16,281.43)	
Purchase	07/26/2007	\$9.052	2,065 \$	18,691.97	Sale	08/13/2007	\$0.920	2,065 \$	1,880.77	0 \$	(16,811.20)	
Purchase	07/26/2007	\$9.062	2,935 \$	26,596.38	Sale	08/13/2007	\$0.920	2,935 \$	2,699.86	0 \$	(23,896.52)	
Purchase	07/26/2007	\$9.062	2,065 \$	18,712.62	Sale	08/13/2007	\$0.911	2,065 \$	1,880.77	0 \$	(16,831.85)	
Purchase	07/26/2007	\$9.049	168 \$	1,520.23	Sale	08/13/2007	\$0.910	168 \$	152.88	0 \$	(1,367.35)	
Purchase	07/26/2007	\$9.049	832 \$	7,528.77	Sale	08/13/2007	\$0.920	832 \$	765.35	0 \$	(6,763.42)	
Purchase	07/26/2007	\$9.052	335 \$	3,032.35	Sale	08/13/2007	\$0.945	335 \$	316.45	0 \$	(2,715.90)	
Purchase	07/26/2007	\$9.052	3,600 \$	32,586.48	Sale	08/13/2007	\$0.950	3,600 \$	3,418.50	0 \$	(29,167.98)	
Purchase	07/26/2007	\$9.052	1,065 \$	9,640.17	Sale	08/13/2007	\$0.910	1,065 \$	969.13	0 \$	(8,671.03)	
Purchase	07/26/2007	\$9.072	1,660 \$	15,059.19	Sale	08/13/2007	\$0.959	1,660 \$	1,592.74	0 \$	(13,466.45)	
Purchase	07/26/2007	\$9.072	275 \$	2,494.75	Sale	08/13/2007	\$0.969	275 \$	266.57	0 \$	(2,228.18)	
Purchase	07/26/2007	\$9.072	2,000 \$	18,143.60	Sale	08/13/2007	\$0.974	2,000 \$	1,948.66	0 \$	(16,194.94)	
Purchase	07/26/2007	\$9.082	1,065 \$	9,661.47	Sale	08/13/2007	\$0.945	1,065 \$	1,006.03	0 \$	(8,655.44)	
Purchase	07/26/2007	\$9.082	2,435 \$	22,114.18	Sale	08/13/2007	\$0.920	2,435 \$	2,239.92	0 \$	(19,874.26)	
Purchase	07/26/2007	\$9.082	1,500 \$	13,622.70	Sale	08/13/2007	\$0.930	1,500 \$	1,394.67	0 \$	(12,228.03)	
Purchase	07/26/2007	\$9.082	1,065 \$	9,672.12	Sale	08/13/2007	\$0.959	1,065 \$	1,021.85	0 \$	(8,650.27)	
Purchase	07/26/2007	\$9.063	400 \$	3,625.00	Sale	08/13/2007	\$0.920	400 \$	367.95	0 \$	(3,257.05)	
Purchase	07/26/2007	\$9.062	4,335 \$	39,282.90	Sale	08/13/2007	\$0.920	4,335 \$	3,987.70	0 \$	(35,295.21)	
Purchase	07/26/2007	\$9.062	665 \$	6,026.10	Sale	08/13/2007	\$0.920	665 \$	611.72	0 \$	(5,414.37)	
Purchase	07/26/2007	\$9.052	2,335 \$	21,135.95	Sale	08/13/2007	\$0.910	2,335 \$	2,124.81	0 \$	(19,011.14)	
Purchase	07/26/2007	\$9.052	2,000 \$	18,103.60	Sale	08/13/2007	\$0.910	2,000 \$	1,820.57	0 \$	(16,283.03)	
Purchase	07/26/2007	\$9.052	665 \$	6,019.45	Sale	08/13/2007	\$0.920	665 \$	611.72	0 \$	(5,407.72)	
Purchase	07/26/2007	\$9.052	2,435 \$	22,041.13	Sale	08/13/2007	\$0.910	2,435 \$	2,216.29	0 \$	(19,824.84)	
Purchase	07/26/2007	\$9.052	1,900 \$	17,198.42	Sale	08/13/2007	\$0.911	1,900 \$	1,730.10	0 \$	(15,468.32)	

Southern Improvement
Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
Luminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above
Purchase	07/26/2007	\$9.052	665 \$	6,019.45	Sale	08/13/2007	\$0.910	665 \$	605.14	0 \$	(5,414.31)	
Purchase	07/26/2007	\$9.052	4,235 \$	38,334.53	Sale	08/13/2007	\$0.910	4,235 \$	3,853.78	0 \$	(34,480.75)	
Purchase	07/26/2007	\$9.052	665 \$	6,019.47	Sale	08/13/2007	\$0.910	665 \$	605.27	0 \$	(5,414.20)	
Purchase	07/27/2007	\$9.018	218 \$	1,965.82	Sale	08/10/2007	\$0.794	218 \$	173.13	0 \$	(1,792.68)	
Purchase	07/27/2007	\$9.050	300 \$	2,715.00	Sale	08/10/2007	\$0.794	300 \$	238.26	0 \$	(2,476.74)	
Purchase	07/27/2007	\$9.055	1,700 \$	15,394.00	Sale	08/10/2007	\$0.794	1,700 \$	1,350.12	0 \$	(14,043.88)	
Purchase	07/27/2007	\$9.078	500 \$	4,539.00	Sale	08/10/2007	\$0.794	500 \$	397.09	0 \$	(4,141.91)	
Purchase	07/27/2007	\$9.063	618 \$	5,601.00	Sale	08/10/2007	\$0.894	618 \$	552.61	0 \$	(5,048.39)	
Purchase	07/27/2007	\$9.063	2,282 \$	20,682.00	Sale	08/10/2007	\$0.794	2,282 \$	1,812.33	0 \$	(18,869.67)	
Purchase	07/27/2007	\$9.122	2,000 \$	18,244.09	Sale	08/10/2007	\$0.894	2,000 \$	1,788.37	0 \$	(16,455.72)	
Purchase	07/27/2007	\$9.122	2,200 \$	20,068.71	Sale	08/10/2007	\$0.894	2,200 \$	1,967.21	0 \$	(18,101.50)	
Purchase	07/27/2007	\$9.042	2,724 \$	24,629.86	Sale	08/13/2007	\$0.910	2,724 \$	2,478.80	0 \$	(22,151.06)	
Purchase	07/27/2007	\$9.042	911 \$	8,237.08	Sale	08/13/2007	\$0.910	911 \$	829.17	0 \$	(7,407.91)	
Purchase	07/27/2007	\$9.042	600 \$	5,425.08	Sale	08/13/2007	\$0.910	600 \$	546.17	0 \$	(4,878.91)	
Purchase	07/27/2007	\$9.042	765 \$	6,916.98	Sale	08/13/2007	\$0.910	765 \$	696.14	0 \$	(6,220.84)	
Purchase	07/27/2007	\$9.012	4,235 \$	38,164.55	Sale	08/13/2007	\$0.910	4,235 \$	3,853.78	0 \$	(34,310.77)	
Purchase	07/27/2007	\$9.012	765 \$	6,893.95	Sale	08/13/2007	\$0.910	765 \$	696.14	0 \$	(6,197.81)	
Purchase	07/27/2007	\$9.013	35 \$	315.45	Sale	08/13/2007	\$0.973	35 \$	34.05	0 \$	(281.39)	
Purchase	07/27/2007	\$9.013	765 \$	6,894.79	Sale	08/13/2007	\$0.910	765 \$	696.14	0 \$	(6,198.65)	
Purchase	07/27/2007	\$9.022	1,118 \$	10,086.37	Sale	08/13/2007	\$0.920	1,118 \$	1,028.43	0 \$	(9,057.94)	
Purchase	07/27/2007	\$9.022	200 \$	1,804.36	Sale	08/13/2007	\$0.909	200 \$	179.90	0 \$	(1,624.46)	
Purchase	07/27/2007	\$9.022	300 \$	2,706.54	Sale	08/13/2007	\$0.909	300 \$	272.83	0 \$	(2,433.71)	
Purchase	07/27/2007	\$9.022	600 \$	5,413.08	Sale	08/13/2007	\$0.919	600 \$	551.61	0 \$	(4,861.47)	
Purchase	07/27/2007	\$9.022	300 \$	2,706.54	Sale	08/13/2007	\$0.939	300 \$	281.74	0 \$	(2,424.80)	
Purchase	07/27/2007	\$9.022	100 \$	902.18	Sale	08/13/2007	\$1.007	100 \$	100.69	0 \$	(801.49)	
Purchase	07/27/2007	\$9.022	1,400 \$	12,630.52	Sale	08/13/2007	\$1.057	1,400 \$	1,479.77	0 \$	(11,150.75)	
Purchase	07/27/2007	\$9.022	100 \$	902.18	Sale	08/13/2007	\$1.067	100 \$	106.69	0 \$	(795.49)	
Purchase	07/27/2007	\$9.022	82 \$	739.79	Sale	08/13/2007	\$0.973	82 \$	79.79	0 \$	(660.00)	
Purchase	07/27/2007	\$9.012	1,118 \$	10,075.19	Sale	08/13/2007	\$1.048	1,118 \$	1,171.87	0 \$	(8,903.32)	
Purchase	07/27/2007	\$9.012	3,882 \$	34,983.81	Sale	08/13/2007	\$0.920	3,882 \$	3,570.99	0 \$	(31,412.82)	
Purchase	07/27/2007	\$9.032	1,118 \$	10,097.55	Sale	08/13/2007	\$1.068	1,118 \$	1,194.23	0 \$	(8,903.33)	
Purchase	07/27/2007	\$9.042	3,882 \$	35,061.45	Sale	08/13/2007	\$1.048	3,882 \$	4,069.04	0 \$	(30,992.41)	
Purchase	07/27/2007	\$9.042	1,118 \$	10,108.73	Sale	08/13/2007	\$1.048	1,118 \$	1,171.87	0 \$	(8,936.86)	
Purchase	07/27/2007	\$9.042	1,000 \$	9,041.80	Sale	08/13/2007	\$1.048	1,000 \$	1,048.18	0 \$	(7,993.62)	
Purchase	07/27/2007	\$9.042	1,500 \$	13,562.70	Sale	08/13/2007	\$1.058	1,500 \$	1,587.27	0 \$	(11,975.43)	
Purchase	07/27/2007	\$9.042	1,382 \$	12,495.77	Sale	08/13/2007	\$1.068	1,382 \$	1,476.22	0 \$	(11,019.54)	
Purchase	07/27/2007	\$9.062	1,118 \$	10,131.09	Sale	08/13/2007	\$1.038	1,118 \$	1,160.69	0 \$	(8,970.40)	

**Southern Improvement
Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
Laminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007**

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
Purchase	07/27/2007	\$9.062	100 \$	906.18	Sale	08/13/2007	\$1.028	100 \$	102.81	0 \$	(\$803.37)	
Purchase	07/27/2007	\$9.062	3,782 \$	34,271.73	Sale	08/13/2007	\$1.048	3,782 \$	3,964.23	0 \$	(\$30,307.50)	
Purchase	07/27/2007	\$9.133	900 \$	8,219.79	Sale	08/13/2007	\$1.038	900 \$	934.37	0 \$	(\$7,285.42)	
Purchase	07/27/2007	\$9.143	200 \$	1,828.62	Sale	08/13/2007	\$1.038	200 \$	207.64	0 \$	(\$1,620.98)	
Purchase	07/27/2007	\$9.153	1,800 \$	16,475.59	Sale	08/13/2007	\$1.038	1,800 \$	1,868.73	0 \$	(\$14,606.86)	
Purchase	07/27/2007	\$9.018	982 \$	8,855.19	Sale	08/13/2007	\$1.038	982 \$	1,019.50	0 \$	(\$7,835.69)	
Purchase	07/30/2007	\$8.535	18 \$	153.63	Sale	08/10/2007	\$0.834	18 \$	15.02	0 \$	(\$138.61)	
Purchase	07/30/2007	\$8.535	182 \$	1,553.35	Sale	08/10/2007	\$0.894	182 \$	162.74	0 \$	(\$1,390.61)	
Purchase	07/30/2007	\$8.540	100 \$	854.00	Sale	08/10/2007	\$0.834	100 \$	83.42	0 \$	(\$770.58)	
Purchase	07/31/2007	\$7.873	2,000 \$	15,745.81	Sale	08/06/2007	\$3.820	2,000 \$	7,640.00	0 \$	(\$8,105.81)	
Purchase	07/31/2007	\$7.969	1,000 \$	7,969.00	Sale	08/06/2007	\$3.820	1,000 \$	3,820.00	0 \$	(\$4,149.00)	
Purchase	07/31/2007	\$7.994	500 \$	3,997.20	Sale	08/06/2007	\$3.820	500 \$	1,910.00	0 \$	(\$2,087.20)	
Purchase	07/31/2007	\$7.995	1,500 \$	11,991.75	Sale	08/06/2007	\$3.820	1,500 \$	5,730.00	0 \$	(\$6,261.75)	
Purchase	07/31/2007	\$8.002	1,518 \$	12,146.73	Sale	08/07/2007	\$0.760	1,518 \$	1,153.68	0 \$	(\$10,993.05)	
Purchase	07/31/2007	\$8.002	1,600 \$	12,802.88	Sale	08/07/2007	\$0.460	1,600 \$	736.00	0 \$	(\$12,066.88)	
Purchase	07/31/2007	\$8.003	3,900 \$	31,210.92	Sale	08/07/2007	\$0.760	3,900 \$	2,964.00	0 \$	(\$28,246.92)	
Purchase	07/31/2007	\$8.003	1,100 \$	8,803.08	Sale	08/07/2007	\$0.760	1,100 \$	836.00	0 \$	(\$7,967.08)	
Purchase	07/31/2007	\$7.942	118 \$	937.13	Sale	08/10/2007	\$0.794	118 \$	93.71	0 \$	(\$843.42)	
Purchase	07/31/2007	\$7.942	4,882 \$	38,771.87	Sale	08/10/2007	\$0.834	4,882 \$	4,072.50	0 \$	(\$34,699.37)	
Purchase	07/31/2007	\$7.992	118 \$	943.03	Sale	08/10/2007	\$0.764	118 \$	90.17	0 \$	(\$852.86)	
Purchase	07/31/2007	\$7.992	4,882 \$	39,015.97	Sale	08/10/2007	\$0.794	4,882 \$	3,877.22	0 \$	(\$35,138.75)	
Purchase	07/31/2007	\$7.982	118 \$	941.85	Sale	08/10/2007	\$0.744	118 \$	87.81	0 \$	(\$854.04)	
Purchase	07/31/2007	\$7.982	600 \$	4,789.08	Sale	08/10/2007	\$0.754	600 \$	452.51	0 \$	(\$4,336.57)	
Purchase	07/31/2007	\$7.982	4,282 \$	34,178.07	Sale	08/10/2007	\$0.764	4,282 \$	3,272.25	0 \$	(\$30,905.82)	
Purchase	07/31/2007	\$7.972	118 \$	940.67	Sale	08/10/2007	\$0.814	118 \$	96.07	0 \$	(\$844.60)	
Purchase	07/31/2007	\$7.972	4,882 \$	38,918.33	Sale	08/10/2007	\$0.744	4,882 \$	3,633.13	0 \$	(\$35,285.20)	
Purchase	07/31/2007	\$7.983	1,500 \$	11,974.35	Sale	08/10/2007	\$0.814	1,500 \$	1,221.28	0 \$	(\$10,753.07)	
Purchase	07/31/2007	\$7.983	1,500 \$	11,974.50	Sale	08/10/2007	\$0.814	1,500 \$	1,221.28	0 \$	(\$10,753.22)	
Purchase	07/31/2007	\$8.002	1,882 \$	15,059.39	Sale	08/10/2007	\$0.814	1,882 \$	1,532.30	0 \$	(\$13,527.09)	
2B. Total			153,318 \$	1,357,510.25				153,318 \$	151,712.12	0 \$	(1,205,798.13)	

Southern Improvement
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Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389

2C. Class Period Purchases Held At End of "Lookback Period"

Purchase	06/27/2007	\$9.949	28	\$	278.56			28	\$	(238.27)	
Purchase	06/28/2007	\$10.086	90	\$	907.70			90	\$	(778.20)	
Purchase	06/28/2007	\$10.070	100	\$	1,007.00			100	\$	(863.11)	
Purchase	06/29/2007	\$9.875	2,000	\$	19,750.00			2,000	\$	(16,872.28)	
Purchase	06/29/2007	\$10.222	3,192	\$	32,628.62			3,192	\$	(28,035.78)	

2C. Total			5,410	\$	54,571.88			0	\$	-		5,410	\$	(46,787.65)	
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**Southern Improvement
Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
Luminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007**

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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Class Period Purchase Total 158,728 \$ 1,412,082.13 153,318 \$ 151,712.12 5,410 \$ (1,252,585.77) \$ -

Grand Total 158,728 \$ 1,412,082.13 153,318 \$ 151,712.12 5,410

Less: Offset for Pre-Class Period Holdings Sold Through End of "Lookback Period":

\$ -

Total Including Offset for Pre-Class Period Holdings Sold Through End of "Lookback Period": \$ (1,252,585.77)

¹ For Class Period Purchases held at end of Lookback Period, Gain (Loss) is based on holdings valued at \$1.4389 per share

Total figures may differ from FIFO, as under LIFO, post-Class Period sales are first allocated to post-Class Period purchases, if any. These purchases and sales, if any, are not shown here.

**Southern Improvement
Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
Luminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007**

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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Southern Improvement
Analysis of Luminent Mortgage Capital, Inc. Options Trading

Date	Transaction	Option	Strike Price	Expiration Date	Price	Number of Contracts	Total Sale Price	"Lookback Period" Average		Gain (Loss)	Note
								Closing Price			
7/10/2007	Sold	Put	\$ 10.00	Oct-07	\$ 0.72	25	\$ 1,810.97	\$ 8.62	\$	(19,733.47)	
6/28/2007	Sold	Put	\$ 7.50	Jan-08	\$ 0.42	20	\$ 845.98	\$ 6.21	\$	(11,570.69)	
7/2/2007	Sold	Put	\$ 7.50	Jan-08	\$ 0.33	100	\$ 3,285.94	\$ 6.21	\$	(58,797.39)	
7/12/2007	Sold	Put	\$ 7.50	Jan-08	\$ 0.53	100	\$ 5,285.91	\$ 6.21	\$	(56,797.42)	
7/2/2007	Sold	Put	\$ 10.00	Jan-08	\$ 1.26	10	\$ 1,260.98	\$ 8.69	\$	(7,432.66)	
Total Put Options										\$ (154,331.63)	
7/11/2007	Sold	Call	\$ 10.00	Aug-07	\$ 0.37	11	\$ 403.99	\$	\$	403.99	Expired
7/11/2007	Sold	Call	\$ 10.00	Aug-07	\$ 0.38	39	\$ 1,467.97	\$	\$	1,467.97	Expired
6/26/2007	Sold Short	Call	\$ 10.00	Oct-07	\$ 0.74	20	\$ 1,474.97				Data had \$20 strike price
7/24/2007	Sold Short	Call	\$ 10.00	Oct-07	\$ 0.49	16	\$ 777.98				
8/2/2007	Sold Short	Call	\$ 10.00	Oct-07	\$ 0.24	40	\$ 959.98				
8/7/2007	Bought to cover	Call	\$ 10.00	Oct-07	\$ 0.06	76	\$ 447.00		\$	2,765.93	
8/3/2007	Sold	Call	\$ 10.00	Jan-08	\$ 0.48	200	\$ 9,585.84	\$ 0.06	\$	8,409.37	
Total Call Options										\$ 13,047.26	
Total Options										\$ (141,284.37)	

Allen Dayton
Summary of Analyses
Luminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

	FIFO Share Accounting Basis	LIFO Share Accounting Basis	Calculation
Trading Analysis			
Shares Held @ 10/10/2006	-	-	(1)
Class Period Purchases	2,050	2,050	(2)
Shares	\$ 19,728.93	\$ 19,728.93	(3)
Dollars	\$ 9,624	\$ 9,624	
Average Price of Purchases			
Class Period Sales			
Shares	-	-	(4)
Dollars	\$ -	\$ -	(5)
Average Price of Sales	NA	NA	
Shares Held 08/06/2007	2,050	2,050	(6) = (1) + (2) - (4)
"Lookback Period" Sales (1)			
Shares	2,050	2,050	(7)
Dollars	\$ 1,303.47	\$ 1,303.47	(8)
Average Price of Sales	\$ 0.636	\$ 0.636	
Shares Held @ 10/05/2007 (2)	-	-	(9) = (6) - (7)
Net Expenditure Analysis			
Net Class Period Purchases (Sales) (1)			
Shares	2,050	2,050	(10) = (2) - (4)
Dollars Net Expenditures (Net Proceeds)	\$ 19,728.93	\$ 19,728.93	(11) = (3) - (5)
Net Class Period + "Lookback Period" Purchases (Sales) (1)			
Shares	0	0	(12) = (10) - (7)
Dollars (Net Expenditures)	\$ 18,425.46	\$ 18,425.46	(13) = (11) - (8)
Gain (Loss) Analysis			
Gain (Loss) on Class Period Purchases (3)	\$ (18,425.46)	\$ (18,425.46)	(14)
Less: Offset for Pre-Class Holdings Sold Above \$1.4389	\$ -	\$ -	(15)
Gain (Loss) After Offset	\$ (18,425.46)	\$ (18,425.46)	(16) = (14) + (15)

Notes:

- (1) Sales attributable to Pre-Class Period Holdings and Class Period Purchases only; Figures may not be equal under FIFO and LIFO as under LIFO, post-Class Period sales are first allocated to post-Class Period purchases, if any.
- (2) Holdings attributable to Pre-Class Period Holdings and Class Period Purchases only; Figures may not be equal under FIFO and LIFO as under LIFO, post-Class Period sales are first allocated to post-Class Period purchases, if any.
- (3) Class Period Purchases held as of 10/05/2007 valued at \$1.4389, the average closing price of Luminant Mortgage Capital, Inc. common stock between 08/07/2007 and 10/05/2007 (60-Day "Lookback Period").
- (4) Sales of Pre-Class Period Holdings.

Allen Dayton
 First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
 Luminent Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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Pre-Class Period Holdings 0

IA. Pre-Class Period Holdings Sold Through End of Class Period

Pre-Class Period Holdings

IA. Total	0				0	\$	-	0	\$	-
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Allen Dayton
 First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
 Luminant Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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1B. Pre-Class Period Holdings Sold During "Lookback Period"

Pre-Class Period Holdings

1B. Total	0	0	\$	-	0	\$	-
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Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Offset for
Shares Sold

Transaction	Trade	Price	Shares	Total	Transaction	Trade	Price	Shares	Total	Shares	Gain	Into Class
Type	Date			Cost	Type	Date			Proceeds	Retained	(Loss)	Above
									@ 10/05/2007		¹	\$1.4389
1C. Pre-Class Period Holdings Held at End of "Lookback Period"												
Pre-Class Period Holdings				0								
Pre-Class Period Holdings				0								
1C. Total				0	0 \$				-	0	\$	-

Allen Dayton
 First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
 Luminant Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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2A. Class Period Purchases Sold Prior to End of Class Period

0 \$

-

2A. Total	0 \$	-	0 \$	-	0 \$	-	0 \$	-	-	-	-	-
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Allen Dayton
First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
Luminent Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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2B. Class Period Purchases Sold During "Lookback Period"

Purchase	06/26/2007	\$9.899	200	\$ 1,979.80	Sale	08/07/2007	\$0.636	200	\$ 127.17	0	\$ (1,852.63)	
Purchase	06/26/2007	\$9.889	800	\$ 7,911.20	Sale	08/07/2007	\$0.636	800	\$ 508.67	0	\$ (7,402.53)	
Purchase	06/27/2007	\$9.620	150	\$ 1,442.99	Sale	08/07/2007	\$0.636	150	\$ 95.38	0	\$ (1,347.61)	
Purchase	07/11/2007	\$9.562	400	\$ 3,824.96	Sale	08/07/2007	\$0.636	400	\$ 254.34	0	\$ (3,570.62)	
Purchase	07/19/2007	\$9.125	200	\$ 1,824.98	Sale	08/07/2007	\$0.636	200	\$ 127.17	0	\$ (1,697.81)	
Purchase	07/23/2007	\$9.150	300	\$ 2,745.00	Sale	08/07/2007	\$0.636	300	\$ 190.75	0	\$ (2,554.25)	
2B. Total			2,050	\$ 19,728.93				2,050	\$ 1,303.47	0	\$ (18,425.46)	

Allen Dayton
 First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
 Luminent Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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2C. Class Period Purchases Held At End of "Lookback Period"

0 \$ -

2C. Total 0 \$ - 0 \$ - 0 \$ -

Allen Dayton
First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
Luminent Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389

Class Period Purchase Total 2,050 \$ 19,728.93 2,050 \$ 1,303.47 0 \$ (18,425.46) \$ -

Grand Total 2,050 \$ 19,728.93 2,050 \$ 1,303.47 0

Less: Offset for Pre-Class Period Holdings Sold Through End of "Lookback Period": \$ -

Total Including Offset for Pre-Class Period Holdings Sold Through End of "Lookback Period": \$ (18,425.46)

¹ For Class Period Purchases held at end of Lookback Period, Gain (Loss) is based on holdings valued at \$1.4389 per share

Allen Dayton
 Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
 Luminant Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction		Trade		Price		Shares		Total		Transaction		Trade		Price		Shares		Total		Shares		Gain		Offset for	
Type	Date	Type	Date	Price	Price	Shares	Shares	Cost	Proceeds	Type	Date	Type	Date	Price	Price	Shares	Shares	Cost	Proceeds	Retained	Retained	(Loss)	Gain	Shares Sold	Into Class

Pre-Class Period Holdings 0

1A. Pre-Class Period Holdings Sold Through End of Class Period

Pre-Class Period Holdings

1A. Total	0	0	\$	-	0	\$	-	0	\$	-	0	\$	-	0	\$	-	0	\$	-	0	\$	-	0	\$	-
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Allen Dayton
 Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
 Luminant Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Offset for Shares Sold Into Class Above											
Transaction				Shares Retained @ 10/05/2007				Gain (Loss) ¹			
Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds		
											\$1.4389

Allen Dayton
 Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
 Luminent Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above
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1C. Pre-Class Period Holdings Held at End of "Lookback Period"

0

0

1C. Total	0	\$	-	0	\$	-
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Allen Dayton
 Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
 Luminent Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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2A. Class Period Purchases Sold Prior to End of Class Period

Purchase

0 \$ -

2A. Total	0 \$	-	0 \$	-	0 \$	-	0 \$	-	-	-	-	-
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Allen Dayton
Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
Luminent Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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2B. Class Period Purchases Sold During "Lookback Period"

Purchase	06/26/2007	\$9.899	200	\$ 1,979.80	Sale	08/07/2007	\$0.636	200	\$ 127.17	0	\$ (1,852.63)	
Purchase	06/26/2007	\$9.889	800	\$ 7,911.20	Sale	08/07/2007	\$0.636	800	\$ 508.67	0	\$ (7,402.53)	
Purchase	06/27/2007	\$9.620	150	\$ 1,442.99	Sale	08/07/2007	\$0.636	150	\$ 95.38	0	\$ (1,347.61)	
Purchase	07/11/2007	\$9.562	400	\$ 3,824.96	Sale	08/07/2007	\$0.636	400	\$ 254.34	0	\$ (3,570.62)	
Purchase	07/19/2007	\$9.125	200	\$ 1,824.98	Sale	08/07/2007	\$0.636	200	\$ 127.17	0	\$ (1,697.81)	
Purchase	07/23/2007	\$9.150	300	\$ 2,745.00	Sale	08/07/2007	\$0.636	300	\$ 190.75	0	\$ (2,554.25)	
2B. Total			2,050	\$ 19,728.93				2,050	\$ 1,303.47	0	\$ (18,425.46)	

Allen Dayton
 Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
 Luminent Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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2C. Class Period Purchases Held At End of "Lookback Period"

0 \$ -

2C. Total 0 \$ - 0 \$ -

Allen Dayton
 Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
 Luminent Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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Class Period Purchase Total	2,050	\$	19,728.93	2,050	\$	1,303.47	0	\$	(18,425.46)	\$	-	
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Grand Total	2,050	\$	19,728.93	2,050	\$	1,303.47	0					
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Less: Offset for Pre-Class Period Holdings Sold Through End of "Lookback Period":

\$ -

Total Including Offset for Pre-Class Period Holdings Sold Through End of "Lookback Period":

\$ (18,425.46)

¹ For Class Period Purchases held at end of Lookback Period, Gain (Loss) is based on holdings valued at \$1.4389 per share

Total figures may differ from FIFO, as under LIFO, post-Class Period sales are first allocated to post-Class Period purchases, if any. These purchases and sales, if any, are not shown here.

Allen Dayton
Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
Luminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above
												\$1.4389

Allen Dayton
Analysis of Luminent Mortgage Capital, Inc. Options Trading

Date	Transaction	Option	Strike Price	Expiration		Price	Number of Contracts	"Lookback Period" Average		Gain (Loss)	Note
				Date				Closing Price			
6/28/2007	Sold	Put	\$ 7.50	Jan-08	\$	0.42	20	\$ 845.98	\$ 6.21	\$ (12,254.02)	Assigned: Loss based on strike price - closing price of common on assignment date
7/2/2007	Sold	Put	\$ 10.00	Jan-08	\$	1.26	10	\$ 1,260.98	\$ 8.69	\$ (7,432.66)	
Total Put Options										\$ (19,686.68)	

VSA
Summary of Analyses
Luminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

	FIFO Share Accounting Basis	LIFO Share Accounting Basis	Calculation
Trading Analysis			
Shares Held @ 10/10/2006	-	-	(1)
Class Period Purchases	0	0	(2)
Shares	-	-	(3)
Dollars	\$ -	\$ -	(4)
Class Period Sales	-	-	(5)
Shares	-	-	(6) = (1) + (2) - (4)
Dollars	\$ -	\$ -	(7)
Shares Held 08/06/2007	-	-	(8)
"Lookback Period" Sales (1)	0	0	(9) = (6) - (7)
Shares	-	-	
Dollars	\$ -	\$ -	
Shares Held @ 10/05/2007 (2)	-	-	
Net Expenditure Analysis			
Net Class Period Purchases (Sales) (1)	0	0	(10) = (2) - (4)
Shares	-	-	(11) = (3) - (5)
Dollars Net Expenditures (Net Proceeds)	\$ -	\$ -	
Net Class Period + "Lookback Period" Purchases (Sales) (1)	0	0	(12) = (10) - (7)
Shares	-	-	(13) = (11) - (8)
Dollars (Net Expenditures)	\$ -	\$ -	
Gain (Loss) Analysis			
Gain (Loss) on Class Period Purchases (3)	\$ -	\$ -	(14)
Less: Offset for Pre-Class Holdings Sold Above \$1.4389	\$ -	\$ -	(15)
Gain (Loss) After Offset	\$ -	\$ -	(16) = (14) + (15)

- Notes:
- (1) Sales attributable to Pre-Class Period Holdings and Class Period Purchases only; Figures may not be equal under FIFO and LIFO as under LIFO, post-Class Period sales are first allocated to post-Class Period purchases, if any.
 - (2) Holdings attributable to Pre-Class Period Holding and Class Period Purchases only; Figures may not be equal under FIFO and LIFO as under LIFO, post-Class Period sales are first allocated to post-Class Period purchases, if any.
 - (3) Class Period Purchases held as of 10/05/2007 valued at \$1.4389, the average closing price of Luminant Mortgage Capital, Inc. common stock between 08/07/2007 and 10/05/2007 (60-Day "Lookback Period").
 - (4) Sales of Pre-Class Period Holdings.

VSA
First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
Luminant Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
------------------	------------	-------	--------	------------	------------------	------------	-------	--------	----------------	------------------------------	--------------------------	--

Pre-Class Period Holdings 0

1A. Pre-Class Period Holdings Sold Through End of Class Period

Pre-Class Period Holdings

1A. Total	0	0 \$	-	0	\$	-
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VSA

First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
 Luminent Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
------------------	------------	-------	--------	------------	------------------	------------	-------	--------	----------------	------------------------------	--------------------------	--

1B. Pre-Class Period Holdings Sold During "Lookback Period"

Pre-Class Period Holdings

1B. Total	0	0	\$	-	0	\$	-
-----------	---	---	----	---	---	----	---

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/1/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

**Offset for
Shares Sold
Into Class
Above
\$1.4389**

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Into Class Above
1C. Pre-Class Period Holdings Held at End of "Lookback Period"												
Pre-Class Period Holdings				0						0		
1C. Total				0				0 \$	-	0		\$ -

VSA
First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
Luminent Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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2A. Class Period Purchases Sold Prior to End of Class Period

2A. Total	0	\$	-	0	\$	-	0	\$	-	0	\$	-
-----------	---	----	---	---	----	---	---	----	---	---	----	---

VSA
 First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
 Luminent Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
------------------	------------	-------	--------	------------	------------------	------------	-------	--------	----------------	------------------------------	--------------------------	--

2B. Class Period Purchases Sold During "Lookback Period"

0 \$ -

2B. Total	0 \$	-	0 \$	-	0 \$	-	-	-	-	-	-	-
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VSA
 First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
 Luminant Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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2C. Class Period Purchases Held At End of "Lookback Period"

0 \$ -

2C. Total 0 \$ - 0 \$ -

VSA
First-In First-Out ("FIFO") Share Accounting Gain (Loss) Analysis
Luminent Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
------------------	------------	-------	--------	------------	------------------	------------	-------	--------	----------------	------------------------------	--------------------------	--

Class Period Purchase Total	0 \$	-	0 \$	-	0 \$	-	- \$	-
Grand Total	0 \$	-	0 \$	-	0 \$	0	-	-

Less: Offset for Pre-Class Period Holdings Sold Through End of "Lookback Period":

Total Including Offset for Pre-Class Period Holdings Sold Through End of "Lookback Period":

¹ For Class Period Purchases held at end of Lookback Period, Gain (Loss) is based on holdings valued at \$1.4389 per share

VSA
 Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
 Luminant Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
------------------	------------	-------	--------	------------	------------------	------------	-------	--------	----------------	------------------------------	--------------------------	--

Pre-Class Period Holdings 0

1A. Pre-Class Period Holdings Sold Through End of Class Period

Pre-Class Period Holdings

1A. Total	0				0	\$	-	0	\$	-
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VSA
 Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
 Luminant Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above
------------------	------------	-------	--------	------------	------------------	------------	-------	--------	----------------	------------------------------	--------------------------	---

1B. Pre-Class Period Holdings Sold During "Lookback Period"

1B. Total	0	0	\$	-	0	\$	-
-----------	---	---	----	---	---	----	---

VSA
 Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
 Luminant Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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1C. Pre-Class Period Holdings Held at End of "Lookback Period"

Pre-Class Period Holdings 0 0

1C. Total 0 0 \$ - 0 \$ -

VSA
 Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
 Luminant Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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2A. Class Period Purchases Sold Prior to End of Class Period

Purchase

0 \$

-

2A. Total	0 \$	-	0 \$	-	0 \$	-	\$	-
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VSA
 Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
 Luminent Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
------------------	------------	-------	--------	------------	------------------	------------	-------	--------	----------------	------------------------------	--------------------------	--

2B. Class Period Purchases Sold During "Lookback Period"

0 \$ -

2B. Total 0 \$ - 0 \$ -

VSA
 Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
 Luminant Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
------------------	------------	-------	--------	------------	------------------	------------	-------	--------	----------------	------------------------------	--------------------------	--

2C. Class Period Purchases Held At End of "Lookback Period"

0 \$ -

2C. Total 0 \$ - 0 \$ 0 \$ -

VSA
 Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
 Luminent Mortgage Capital, Inc.
 Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
------------------	------------	-------	--------	------------	------------------	------------	-------	--------	----------------	------------------------------	--------------------------	--

Class Period Purchase Total 0 \$ - - 0 \$ - \$ -

Grand Total 0 \$ - 0 \$ - 0

Less: Offset for Pre-Class Period Holdings Sold Through End of "Lookback Period":

\$ -

Total Including Offset for Pre-Class Period Holdings Sold Through End of "Lookback Period":

\$ -

¹ For Class Period Purchases held at end of Lookback Period, Gain (Loss) is based on holdings valued at \$1.4389 per share

Total figures may differ from FIFO, as under LIFO, post-Class Period sales are first allocated to post-Class Period purchases, if any. These purchases and sales, if any, are not shown here.

VSA
Last-In First-Out ("LIFO") Share Accounting Gain (Loss) Analysis
Luminent Mortgage Capital, Inc.
Class Period: October 10, 2006 - August 6, 2007

Class Period Beginning:	10/10/2006
Class Period End:	8/6/2007
"Lookback Period" Beginning:	8/7/2007
"Lookback Period" End:	10/5/2007
Days in "Lookback Period":	60
"Lookback Period" Average Closing Price:	\$1.4389

Transaction Type	Trade Date	Price	Shares	Total Cost	Transaction Type	Trade Date	Price	Shares	Total Proceeds	Shares Retained @ 10/05/2007	Gain (Loss) ¹	Offset for Shares Sold Into Class Above \$1.4389
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VSA

Analysis of Luminent Mortgage Capital, Inc. Options Trading

"Lookback Period" Average											
Date	Transaction	Option	Strike Price	Expiration Date	Price	Number of Contracts	Total Sale Price	Closing Price	Gain (Loss)	Note	
7/10/2007 Sold	Put	\$	10.00	Oct-07	\$	0.72	18 \$	1,303.90	\$	8.62	\$ (14,208.10)
7/10/2007 Sold	Put	\$	10.00	Oct-07	\$	0.72	7 \$	507.07	\$	8.62	\$ (5,372.93)
Assigned: Loss based on strike price - closing price of common on assignment date											
6/28/2007 Sold	Put	\$	7.50	Jan-08	\$	0.42	20 \$	845.98	\$	6.21	\$ (11,570.69)
7/2/2007 Sold	Put	\$	10.00	Jan-08	\$	1.26	10 \$	1,260.98	\$	8.69	\$ (7,432.66)
Total Put Options										\$	(38,584.37)

EXHIBIT 2

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Press Release

Source: Faruqi & Faruqi LLP

Faruqi & Faruqi, LLP Announces Filing of Class Action Lawsuit Against Luminent Mortgage Capital, Inc. -- LUM

Wednesday August 8, 5:01 pm ET

NEW YORK, Aug. 8, 2007 (PRIME NEWSWIRE) -- Notice is hereby given that a class action lawsuit was commenced in the United States District Court for the Northern District of California on behalf of all purchasers of Luminent Mortgage Capital, Inc. ("Luminent" or the "Company") (NYSE:LUM - News) securities between July 24, 2007 and August 6, 2007, inclusive (the "Class Period"). A copy of the complaint filed in this action can be viewed on the Faruqi & Faruqi, LLP website at <http://www.faruqilaw.com>.

The complaint charges defendants with violations of federal securities laws by, among other things, issuing a series of materially false and misleading press releases and SEC filings regarding Luminent's financial results and business prospects. Specifically, the complaint alleges that Luminent failed to disclose: (i) the Company was not sufficiently liquid; (ii) the Company's financial statements and reports were not prepared in accordance with GAAP and SEC rules; and (iii) that defendants lacked any reasonable basis to claim that the Company had ample liquidity and that the dividend payments were secure. As a result, the price of the Company's common stock was artificially inflated throughout the Class Period. On August 6, 2007, however, defendants shocked the market when they announced that the Company was cancelling the payment of its dividend. In response to the announcement, Luminent's share price dropped to a low of \$3.75 on August 6, 2007 before trading was halted. It then opened on August 7, 2007 at \$0.50, representing a drop of over 85%.

Plaintiff seeks to recover damages on behalf of himself and all other individual and institutional investors who purchased or otherwise acquired Luminent securities between July 24, 2007 through August 6, 2007, excluding defendants and their affiliates. Plaintiff is represented by Faruqi & Faruqi, LLP, a law firm with extensive experience in prosecuting class actions and significant expertise in actions involving corporate and securities fraud.

If you wish to obtain information concerning joining this action you can do so under the "Join Lawsuit" section of our website at <http://www.faruqilaw.com>.

If you purchased Luminent securities during the Class Period, you may, not later than Monday, October 8, 2007, move the court to serve as lead plaintiff of the class, if you so choose. In order to serve as lead plaintiff, however, you must meet certain legal requirements.

More information on this and other class actions can be found on the Class Action Newsline at <http://www.primenewswire.com/ca>

Contact:

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Source: Faruqi & Faruqi LLP

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EXHIBIT 3

**RESUME OF
LOWEY DANNENBERG BEMPORAD SELINGER & COHEN, P.C.**

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Telephone: 610-941-2760
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**lowey@WestNet.com (E-Mail)
www.lowey.com**

Since the 1960s, Lowey Dannenberg Bemporad Selinger & Cohen, P.C. (The "Lowey firm" or "the firm") has specialized in complex litigation, generally representing plaintiffs. The firm employs seventeen lawyers and an experienced paralegal and support staff.

Our regular clients are institutional and other large investors and health benefit insurers. The Lowey firm has achieved many notable successes over the years that have resulted in recoveries aggregating billions of dollars.

Investor Litigation

The Lowey firm represents investors. Our clients' cases involve securities and commodities fraud, coercive mergers and tender offers, statutory appraisal proceedings, proxy contests and election irregularities, failed corporate governance, stockholder agreement disputes, and customer/brokerage firm arbitration proceedings.

Our investor litigation practice group has recovered billions of dollars in the aggregate for our clients. But the value of our accomplishments is measured by more than dollars. We have also achieved landmark, long term corporate governance changes at

public companies, including reversing results of elections and returning corporate control to the companies' rightful owners, its stockholders.

The Lowey firm's institutional investor clients have included the New York City Pension Funds, the New York State Common Retirement Fund, Federated Investors, Glickenhause & Co., the Denver Employees Retirement Plan, Millennium Partners and Karpus Investment Management.

Prescription Drug Overcharge Litigation

The Lowey firm has become the nation's premier litigation firm for health insurers to recover overcharges for prescription drug and other medical products and services. Our skills in this area are recognized by the largest payers for pharmaceuticals in the United States, including Aetna, CIGNA, Humana, and Wellpoint, who frequently retain the firm to assert claims against pharmaceutical manufacturers for conduct resulting in overpriced medication.

Commitment to Clients

In both the investor litigation and prescription overcharge litigation fields, the Lowey firm has distinguished itself from its competitors by departing from the norms of plaintiff's class action law firm practices, advising its clients to do things differently in ways which benefit the clients, whereas more traditional routes would have been to the Lowey firm's greater short-term benefit. However, the firm's reward has been its retention as the

plaintiff's law firm of choice by the most diverse blue chip clientele of any U.S. plaintiff's law firm.

Through contingency or other flexible fee arrangements, the Lowey firm commits its financial and intellectual resources to achieving the best possible results for its clients. The firm takes on cutting-edge legal issues, and has brought about significant expansions of the rights of plaintiffs under federal and state securities, antitrust, corporation, and deceptive practice laws.

Client Recoveries

Recent achievements for our clients include the following:

- On March 19, 2007, the United States District Court for the Southern District of New York approved a \$79,750,000 settlement of a class action, in which the Lowey firm acted as Co-Lead Counsel, on behalf of United States investors of Philip Services Corp., a bankrupt Canadian resource recovery company. \$50,500,000 of the settlement was paid by the Canadian accounting firm of Deloitte & Touche, LLP, which the Lowey firm believes is the largest recovery from a Canadian auditing firm in a securities class action, and among the largest obtained from any accounting firm. In re Philip Services Corp., Securities Litigation, 98 Civ. 835 (AKH) (S.D.N.Y.) Earlier in the litigation, the United States Court of Appeals for the Second Circuit issued a landmark decision protecting the rights of United States citizens to sue foreign companies who fraudulently sell their securities in the United States. DiRienzo v. Philip Services Corp., 294 F.3d (2d Cir.), cert. denied, 123 S.Ct. 556 (2002).
- The Lowey firm's innovative strategy and aggressive prosecution produced an extraordinary recovery in the fall of 2005 for the New York City Pension Funds in the WorldCom Securities Litigation, substantially superior to that of any other WorldCom investor in either class or opt-out litigation. Following our advice to opt out of a class action in order to litigate their claims separately, the New York City Pension Funds recovered almost \$79 million, including 100% of their damages resulting from investments in WorldCom bonds.

- On May 19, 2006, the United States District Court for the Southern District of New York approved a \$72,762,500 partial settlement of a class action on behalf of entities and persons who traded New York Mercantile Exchange natural gas futures contracts. Since that hearing, additional settlements which were preliminarily approved by the Court on February 12, 2007, have brought the total settlements to date to \$100 million. The Lowey firm is co-lead counsel for a class of plaintiffs who allege that the defendants manipulated the prices of natural gas futures and options contracts by reporting inaccurate, misleading, and false information concerning physical commodity trades to trade publications that compile and publish indices of natural gas spot prices. In re Natural Gas Commodity Litigation, No. 03 CV 6186 (VM) (S.D.N.Y.).
- On September 25, 2006 the Lowey firm helped Laddcap Value Partners win an emergency appeal, reversing a federal district court's order disqualifying the votes Laddcap had solicited to replace the board of directors of Delcath Systems, Inc. Prior to our involvement in the case, on September 20, 2006, Laddcap, which was Delcath's largest stockholder, had been enjoined by the district court from submitting stockholder consents it had solicited on the grounds of unproven claimed violations of federal securities law. After losing an injunction proceeding in the district court on September 20, 2006 and with the election scheduled to close on September 25, 2006, Laddcap hired the Lowey firm to prosecute an emergency appeal, which was won on September 25, 2006, the last day of the election period. Shortly thereafter, the case was settled with Laddcap gaining seats on the board, reimbursement of expenses, and other benefits. Delcath Systems, Inc. v. Laddcap Value Partners, 2006 WL 27239981 (2d Cir. Sept. 25, 2006).
- The Lowey firm represented Karpus Investment Management in its successful proxy contest and subsequent litigation to prevent the transfer of management by Citigroup to Legg Mason of the Salomon Brothers Municipal Partners Fund. We defeated the Fund's preliminary injunction action which sought to compel Karpus to vote shares it had solicited by proxy but withheld from voting in order to defeat a quorum and prevent approval of the transfer. Salomon Brothers Mun. Partners Fund, Inc. v. Thornton, 410 F. Supp. 2d 330 (S.D.N.Y. 2006).
- The Lowey firm acted as co-lead counsel for a class of seatholders seeking to enjoin the merger between the New York Stock Exchange and Archipelago Holdings, Inc. As a result of the action, the merger terms were revised, providing the seatholders with more than \$250 million in additional consideration. In addition, the NYSE agreed to retain an independent financial adviser to report to the Court as to the fairness of the deal to the NYSE seatholders. Plaintiffs also provided the Court with their expert's

analysis of the new independent financial adviser's report. Both reports were provided to the seatholders prior to the merger vote. The Court noted that "these competing presentations provide a fair and balanced view of the proposed merger and present the NYSE Seatholders with an opportunity to exercise their own business judgment with eyes wide open. The presentation of such differing viewpoints ensures transparency and complete disclosure." In re New York Stock Exchange/Archipelago Merger Litigation, (N.Y. Sup. Ct. December 5, 2005).

- On July 8, 2005, the United States District Court for the Southern District of Florida approved a \$28,700,000 settlement of a class action on behalf of consumers and third party payers against Abbott Laboratories and Geneva Pharmaceuticals, charging that they monopolized and unreasonably restrained trade in the market for the prescription drug Hytrin and its generic equivalents. The Lowey firm was lead counsel for the class in this six-year litigation. The Court had previously certified a 17-state class of indirect purchasers consisting of consumers and third party payers in In re Terazosin Hydrochloride Antitrust Litig., 2004 U.S. Dist. LEXIS 6176 (S.D. Fla. April 8, 2004). The Court complimented our performance and experience in this hard-fought case.
- The Lowey firm represented Glickenhause & Co., a major registered investment advisor and, at the time, the second largest stockholder of Chrysler, in a non-class securities lawsuit against DaimlerChrysler AG. Successful implementation of the firm's opt-out strategy led to a recovery for its clients far in excess of that received by other class members. See In re DaimlerChrysler AG Sec. Litig., 197 F. Supp. 2d 42 (D. Del. 2002); In re DaimlerChrysler AG Sec. Litig., Civ. Action Nos. 00-993/00-984/01-004JJF Cons. Action, 2003 U.S. Dist. LEXIS 10964, Fed. Sec. L. Rep. (CCH) ¶92,244 (D. Del. June 25, 2003).
- Following a three day bench trial in a statutory appraisal proceeding, the Delaware Chancery Court awarded our clients, an institutional investor and investment advisor, \$30.43 per share plus compounded prejudgment interest, for a transaction in which the public shareholders who did not seek appraisal were cashed out at \$28 per share. Doft & Co. v. Travelocity.com, Inc., No. Civ. A. 19734, 2004 WL 1152338 (May 20, 2004), modified, 2004 WL 1366994 (Del. Ch. June 10, 2004).
- The United States District Court for the Eastern District of Michigan approved an \$80,000,000 settlement of a class action on behalf of consumers and third party payers against Aventis S.A. and Andrx Corp., charging that they monopolized and unreasonably restrained trade in the United States market for Cardizem CD and its generic bioequivalents. In re Cardizem CD Antitrust Litigation, 218 F.R.D. 508 (E.D. Mich. 2003) appeal dismissed, 391 F.3d 812

(6th Cir. 2004), cert. denied, 125 S. Ct. 2297 (2005). Previously, the United States Court of Appeals for the Sixth Circuit unanimously affirmed a landmark summary judgment of per se liability against defendants. In re Cardizem CD Antitrust Litig., 332 F.3d 896 (6th Cir. 2003), affirming, 105 F. Supp. 2d 682 (E.D. Mich. 2000). The Lowey firm was lead counsel for the class and argued both successful appeals.

- In an action in which the Lowey firm acted on behalf of an institutional investor as Co-Lead Counsel, the Delaware Supreme Court enjoined a proposed merger between NCS Healthcare, Inc. and Genesis Health Ventures, Inc., accepting our argument that the NCS board had breached its fiduciary obligations by agreeing to irrevocable merger lock-up provisions. As a result of the injunction, the NCS shareholders were able to obtain the benefit of a competing takeover proposal by Omnicare, Inc. of 300% more than that offered in the enjoined transaction, providing NCS's shareholders with an additional \$99 million. Omnicare, Inc. v. NCS Healthcare, Inc., 818 A.2d 914 (Del. 2003).
- The Supreme Court of the State of New York, County of New York, approved a \$22.8 million settlement on behalf of a class of current and former holders of credit cards issued by MBNA bank who took cash advances in response to an MBNA promotion. The Court noted that the Lowey firm is an "able law firm having long-standing experience in commercial class action litigation." Broder v. MBNA Corp., No. 605153/98 (Sup. Ct., N.Y. County, April 11, 2003).
- The United States District Court for the District of Delaware approved, and the Third Circuit Court of Appeals affirmed, a \$44.5 million class action settlement paid by DuPont Pharmaceuticals to consumers and third party payers nationwide to settle claims of unfair marketing practices in connection with the prescription blood thinner Coumadin. The Lowey firm, which had been appointed by the District Court to the plaintiffs' executive committee as the representative of third party payers, argued the successful appeal. In re Warfarin Sodium Antitrust Litigation, 391 F.3d 516 (3rd Cir. 2004).
- The Lowey firm successfully represented an affiliate of Millennium Partners, a major private investment fund, in litigation in the Delaware Chancery Court that resulted in the voiding of two elections of directors of meVC Draper Fisher Jurvetson Fund 1, Inc., a NYSE-listed closed end mutual fund, on grounds of breach of fiduciary duty, and in a subsequent proxy contest litigation in the United States District Court for the Southern District of New York, that resulted in the replacement of the entire board of directors with Millennium's slate. meVC Draper Fisher Jurvetson Fund 1, Inc. v. Millennium Partners, 260 F. Supp. 2d 616 (S.D.N.Y. 2003); Millenco L.P. v. meVC Draper Fisher Jurvetson Fund 1, Inc., 824 A.2d 11 (Del. Ch. 2002).

- In a case in which the Lowey firm acted as Lead Counsel, the Firm obtained a \$27.25 million settlement on behalf of our client the Federated Kaufmann Fund and a class of purchasers of securities of CINAR Corporation. The court found that "the quality of [the Lowey firm's] representation has been excellent." In re CINAR Securities Litigation, Master File No. 00 CV 1086 (E.D.N.Y., Dec. 2, 2002).
- In proceedings in which the Lowey firm acted as co-counsel to a Bankruptcy Court-appointed Estate Representative, the firm obtained recoveries in a fraudulent conveyance action totaling \$106 million. In re Reliance Securities Litigation, MDL 1304 (D. Del. 2002).

The Lowey firm represents numerous institutional investors. After a highly competitive selection process, we were selected by the New York State Common Retirement Fund (the "CRF"), the third largest public pension fund in the United States, with assets exceeding \$140 billion, to serve as one of its designated securities litigation counsel. We currently represent the CRF as Lead Counsel in a securities class action in which the CRF is serving as the court appointed Lead Plaintiff. In re Bayer AG Securities Litigation, 03 Civ. 1546 (WHP) (S.D.N.Y.).

Similarly, the Lowey firm was selected to serve as one of the securities litigation counsel to represent the New York City Pension Funds (the "NYC Funds") having combined assets of more than \$110 billion. We currently represent the NYC Funds as Lead Counsel in a securities class action in which the NYC Funds are serving as the court appointed Lead Plaintiffs. In re Juniper Networks, Inc. Sec. Litig., No. C-06-05303 JW (N.D. Cal). In addition, as noted above, we represented the NYC Funds in the WorldCom litigation. Because of the firm's expertise, the firm was also appointed by the Court to serve as Liaison Counsel for the non-class lawsuits arising out of the WorldCom fraud; in that capacity, the firm was responsible for coordinating discovery in more than 80 actions

related to the largest financial fraud in United States history.^{1/} See In re WorldCom Securities Litigation, Master File No. 02 Civ. 3288 (DLC), 2003 U.S. Dist. LEXIS 8979 (S.D.N.Y. May 28, 2003).

The Lowey Firm's Recognized Expertise

The attorneys of the Lowey firm have been repeatedly recognized by the courts as expert practitioners in the field of complex litigation. For example, in the WorldCom Securities Litigation, the Court repeatedly praised the contributions and efforts of the firm's principal Neil L. Selinger: "I want to thank Mr. Selinger again publicly. I have done it many a time during the course of this litigation. He has performed a marvelous service." In re WorldCom, Inc. Securities Litigation, 02 Civ. 3288 (DLC), hearing transcript of November 5, 2004 at 76. Similarly, on November 10, 2004, the Court found that "the Lowey Firm, and in particular Neil Selinger of that firm, has worked tirelessly to promote harmony and efficiency in this sprawling litigation. . . . [the Lowey firm] has done a superb job in its role as Liaison Counsel, conducting itself with professionalism and efficiency. . . ." In re WorldCom, Inc. Securities Litigation, 2004 WL 2549682 (S.D.N.Y. Nov. 10, 2004).

Similarly, in the Oracle Securities Litigation, Judge Vaughn Walker repeatedly praised the performance of the firm. See In re Oracle Securities Litigation, 852 F. Supp. 1437, 1454, 1459 (N.D. Cal. 1994) ["The Lowey firm's high caliber representation of the class against the Oracle defendants served as tangible evidence of its ability to represent the class against Andersen.... Class counsel's able, persistent and patient performance

^{1/} Prior to the WorldCom matter, the Lowey firm was retained to represent the NYC Funds in securities litigations involving Enron and McKesson HBOC, Inc.

in achieving the present recovery has not gone unnoticed"]. See also related opinions 829 F. Supp. 1176 (N.D. Cal. 1993); and 136 F.R.D. 639, 649 n.23 (N.D. Cal. 1991) ["The Lowey firm's papers have been thoughtful and to the point...."].

The Court in Winston v. Mezzanine Investments, L.P., Index No. 28657/91 (Sup. Ct. N.Y. Co. Dec. 22, 1997), following victory at trial and an \$8,000,000 recovery for a class of investors, expressed the view that the attorneys of the Lowey firm "are highly experienced specialists" whose work is "of very high quality." The Court in In re Seagate Technology, Inc. Shareholders Litigation, CA No. 17932 (Del. Ch. Apr. 9, 2001), in approving a \$200 million settlement in an action in which the Lowey firm served as co-lead counsel, stated that the attorneys of the Lowey firm "did highly skilled work against highly skilled opposition. I read the opening brief carefully ... it was very well done and a piece of work ... there was some high-wall lawyering done here." Snyder v. Nationwide Insurance Company, Index No. 97/0633 (Sup. Ct. Onondaga Co. December 17, 1998) (finding that the attorneys of the Lowey firm are "great attorneys" who did a "very, very good job" for the class, and that the Lowey firm makes "attorneys look good"); In re MobileMedia Securities Litigation, Civil No. 96-5723 (D.N.J. February 7, 2000) (describing the firm as "expeditious," "efficient," and "professional").

Other Recoveries For Our Clients

Other examples of the firm's successful efforts include:

- A recovery by settlement of approximately \$100 million in policy refunds or adjustments, discounted premiums, and discounted products for a national class of purchasers of life insurance policies issued by Nationwide Mutual Insurance. Snyder v. Nationwide Insurance Company, Index No. 97/0633 (Sup. Ct. Onondaga Co. 1998). Firm acted as co-lead counsel.

- A recovery by settlement of approximately \$110,000,000 for a class of purchasers of various taxable municipal bonds. In re Taxable Municipal Bond Securities Litigation, Master File No. MDL 863 (E.D. La. 1995). Firm acted as member of the executive committee of plaintiffs' counsel.
- The recovery by settlement of approximately \$618,000,000 for the public shareholders of Standard Oil Company in connection with the acquisition by its controlling stockholder, British Petroleum Acquisition p.l.c. In re The Standard Oil Company/British Petroleum Litigation, Consolidated Case No. 126760 (Court of Common Pleas, Cuyahoga County, Ohio 1987). Firm acted as co-lead counsel.
- A recovery by settlement of more than \$180,000,000 for public shareholders of Shell Oil Company after a successful motion for a preliminary injunction against a tender offer by the Royal Dutch/Shell group of companies, the majority shareholder. See Joseph v. Shell Oil Co., 501 A.2d 409 (Del. Sup. 1985). Firm acted as co-lead counsel.
- A recovery by settlement of approximately \$75,000,000 for former public shareholders of Triangle Industries, Inc. See In re Triangle Industries, Inc. Shareholders Litigation, Delaware Chancery Court, Consolidated Action No. 10466. Firm acted as co-lead counsel.
- A recovery by settlement of \$72,500,000 for sellers of the stock of RJR Nabisco, Inc. In re RJR Nabisco, Inc. Securities Litigation, M.D.L. Docket No. 818 (MBM) (S.D.N.Y. 1992). Firm acted as sole lead counsel.
- A recovery by settlement of more than \$44 million in policy refunds or adjustments or additional paid-up life insurance policies for a national class of purchasers of life insurance policies issued by the Country Life Insurance Company. Duckworth v. Country Life Insurance Company, 98 CH 01046 (Cir. Ct., Cook Co., Ill. 2000).
- A recovery by settlement of approximately \$35,500,000 for public bondholders of Burlington Northern Railroad Co. Rievman v. Burlington Northern Railroad Co., 118 F.R.D. 29 (S.D.N.Y. 1987). During the course of the action, the firm obtained a preliminary injunction against a tender offer and defeasance plan by Burlington Northern Railroad Co. relating to certain railroad bonds. 618 F. Supp. 592 and 644 F. Supp. 168 (S.D.N.Y.). Firm was sole lead counsel.
- Recoveries by settlement exceeding \$30,000,000 for classes of third-party payers and patients for alleged overcharges for clinical laboratory testing. In re SmithKline Beecham Clinical Laboratories, Inc. Laboratory Test Billing Practices Litigation, 3: 97-CV-1795 (AVC) (D. Ct. 2001); May v. SmithKline

Beecham Clinical Laboratories, Inc., C.A. No. 97-L-1230 (Cir. Ct., Madison Co., Ill. 2001). Firm acted as co-lead counsel.

- A recovery by settlement exceeding \$27,000,000 for a class of purchasers of securities of MobileMedia, Inc. In re MobileMedia Securities Litigation, Civil No. 96-5723 (D.N.J. 2000). Firm acted as co-lead counsel.
- A recovery by settlement of \$25,300,000 for a class of third-party payers settling claims for overcharges for the generic versions of the prescription drugs lorazepam and clorazepate. In re Lorazepam and Clorazepate Antitrust Litigation, MDL No. 99-1290 (TFH) (D.D.C. 2002). Firm acted as lead counsel.
- A recovery by settlement of \$25,000,000 for a class of purchasers of securities of Oracle Systems Corporation. In re Oracle Securities Litigation, Master File C-90-0931 (VRW) (N.D. Cal. 1994). Firm acted as sole lead counsel.
- A recovery by settlement of \$25,000,000 for a class of sellers of shares of Columbia Pictures Entertainment, Inc. The firm acted as sole lead counsel in the case, which was prosecuted for more than five years and involved, among many other hurdles, a motion to dismiss (In re Columbia Securities Litigation, 747 F. Supp. 237 (S.D.N.Y. 1990)), a motion for summary judgment (155 F.R.D. 466 (S.D.N.Y. 1994)) and considerable discovery in and from Japan.
- A recovery by settlement of \$24,000,000 for a class of purchasers of securities of Arakis Energy Corporation. In re Arakis Energy Corp. Securities Litigation, Fed. Sec. L. Rep. (CCH) ¶91,646 (E.D.N.Y. August 17, 2001). Firm acted as co-lead counsel.
- A recovery by settlement of \$21,100,000 for holders of rights to purchase the common stock of Crown Zellerbach Corporation, in connection with the acquisition of Crown Zellerbach assets. In re Crown Zellerbach Corporation Rights Plan, No. 85-C-3286 (N.D. Ill. 1986). Firm acted as co-lead counsel.
- A recovery by settlement of more than \$20,000,000 for a class of purchasers of securities of Pepsi Cola Puerto Rico Bottling Co. Turabo Medical Center v. Beach, No. 96-2250 (DRD) (D. P.R. 1997). Firm acted as co-lead counsel.
- A recovery by settlement of \$19,500,000 for a class of purchasers of securities of Raychem Corporation. Cytryn v. Cook, 89-20801-RFP (N.D. Cal. 1992). Firm acted as co-lead counsel.

- A recovery by settlement of \$19,000,000 for a class of purchasers of shares of General Electric Company. The Lowey firm acted as sole lead counsel in the case, which was prosecuted for more than six years and involved, among many obstacles to recovery, motions to dismiss (In re Kidder Peabody Securities Litigation, Fed. Sec. L. Rep. (CCH) ¶99,030 (S.D.N.Y. 1995)), motions for summary judgment (10 F. Supp. 2d 398 (S.D.N.Y. 1998)), and a leading decision compelling production by defendants' counsel of witness interview notes (168 F.R.D. 459 (S.D.N.Y. 1996)).
- A recovery by settlement of \$17,600,000 for former preferred shareholders of Genesco Inc. after successful trial and appeal. See Denco v. Genesco, 427 N.Y.S.2d 434 (1st Dep't 1980). Firm was sole lead counsel.
- A recovery after trial of approximately \$13,000,000 for 115 residents of Mexico and Latin America, whose status as depositors of the insolvent American Bank and Trust Co. had been challenged by the Federal Deposit Insurance Corporation. In the Matter of American Bank & Trust Co., Index No. 18649/76 (Sup. Ct., N.Y. Co. 1979). Firm acted as sole lead counsel.

In other cases, the Lowey firm has achieved substantial relief of a non-monetary nature which ultimately led to important benefits for investors. Examples include:

- In connection with a successful takeover fight involving meVC Draper Fisher Jurvetson Fund I, we successfully persuaded ISS, the largest proxy advisory service company in the United States, and the New York Stock Exchange, to revise their previous approvals of meVC's proxy proposal to approve investment advisor contracts which would have been renewable without shareholder approval. That resulted in all NYSE broker-dealers withdrawing their proxies previously given to management, and led to the defeat of the management proposal at the shareholders' meeting.
- Establishing the standing of purchasers of call options to sue under Section 10(b) of the Securities Exchange Act of 1934, Deutschman v. Beneficial Corp., 841 F.2d 502 (3d Cir. 1988), reversing 668 F. Supp. 358 (D. Del. 1987).
- Protecting shareholder voting rights in connection with a merger through an expedited trial. Kansas City Power & Light v. Western Resources, 939 F. Supp. 688 (W.D. Mo. 1996).
- As co-lead class counsel, obtaining a temporary restraining order and then a preliminary injunction barring a restructuring of Macmillan, Inc. Robert M.

Bass Group, Inc. v. Evans, 552 A.2d 1227 (Del. Ch. 1988); and later in the litigation, obtained an injunction from the Delaware Supreme Court enjoining a lockup agreement given to a favored bidder. Mills Acquisition Co. v. Macmillan, Inc., 559 A.2d 1261 (Del. 1989).

- Effecting modifications valued at between \$16,000,000 to \$37,600,000 of compensation and pension benefits granted to the chief executive officer of Citizens Utilities Company. In re Citizens Utilities Company Shareholders Litigation, Civil Action No. 12992 (Del. Ch. 1995). Firm acted as co-lead counsel.
- Obtaining, following the hearing of a motion for a preliminary injunction, the return of more than \$10,000,000 withdrawn by insiders from Simplicity Pattern Company. Roth v. Lacey, No. 09391/82 (Sup. Ct. N.Y. Co. 1982).
- Preserving for the Dreyfus Fund its ownership rights in the valuable lion trademark, Korenstein v. Dreyfus Corp., 77 Civ. 2521, 78 Civ. 3794 (S.D.N.Y. 1980), and similarly preserving for the Oppenheimer Fund its ownership rights in the valuable clasped hands trademark, The Leslie Katz Retirement Plan v. Oppenheimer Management Corp., 212 U.S.P.Q. 191 (S.D.N.Y. 1980). Firm was sole lead counsel.



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Stephen Lowey, (Member) born New York, N.Y., January 26, 1933; admitted to bar, 1959, New York; 1961, U.S. District Court, Southern and Eastern Districts of New York and U.S. Court of Appeals, Second Circuit; 1981, U.S. Court of Appeals, Fourth Circuit; 1986, U.S. Court of Appeals, Third Circuit; 1992, U.S. District Court, Northern District of New York. **Education:** Harvard University (A.B., cum laude, 1955); Columbia University (LL.B., 1958). Assistant U.S. Attorney, Eastern District of New York, 1961-1964. Arbitrator, American Stock Exchange, Inc., 1979-1987. Author: "Going Private in New York: A Need for Legislation," New York Law Journal, 1984. Panelist: "Professional Liability of Auditors and Lawyers Arising Out of the Insolvency of Financial Institutions," International Bar Association, Biennial Conference, 1992; "Current Problems in Federal Civil Procedure," Practising Law Institute, 1986; "Securities Litigation: Prosecution and Defense Strategies," Practising Law Institute, 1985; "Class Actions and Derivative Suits in the Aftermath of Control Contests and Mergers and Acquisitions," American Bar Association, Section of Litigation, 1984 Annual Meeting. Federal Court Mediator, U.S. District Court, Southern District of New York, 1996—. **Member:** The Association of the Bar of the City of New York (Member, Committee on Federal Courts, 1983-1986); Queens County (Chairman, Committee on Federal Practice, 1976-1978) and American (Chairman, Committee on Class Actions, General Practice Section, 1981) Bar Associations. **Languages:** French. **Email:** Stephen.Lowey@lowey.com
AV Peer Review Rated

Richard Bemporad, (Member) born Miami Beach, Florida, September 2, 1950; admitted to bar, 1976, New York and U.S. District Court, Southern and Eastern Districts of New York; 1983, U.S. Court of Appeals, Second Circuit; 1987, U.S. District Court, District of Connecticut; 1996, U.S. District Court, Eastern District of Michigan and U.S. District Court, Central District of Illinois. **Education:** State University of New York at Buffalo (B.A., summa cum laude, 1972); Columbia University (J.D., 1975). Phi Beta Kappa. Harlan Fiske Stone Scholar. Panelist and Author: Securities Litigation, Practising Law Institute, 1989, 1990, 1992, 1997-2006; New York City Bar Association CLE Securities Programs, 2000-2006; "Circuit Court Ruling Resolves Claims Issue Under Rule 10b-5," New York Law Journal 1, Col. 2, Oct. 20, 1980; "Injunctive Relief in SEC Civil Actions: The Scope of Judicial Discretion," 10 Columbia Law Journal and Social Problems 328, 1974. **Member:** The Association of the Bar of the City of New York (Member, Committee on Federal Courts, 1986-1989); New York State and American Bar Associations. **Email:** Richard.Bemporad@lowey.com **AV Peer Review Rated**

Neil L. Selinger, (Member) born Long Branch, New Jersey, October 22, 1953; admitted to bar, 1979, New York and U.S. District Court, Southern and Eastern Districts of New York; 1981, U.S. Court of Appeals, Fourth and Tenth Circuits; 1984, U.S. Court of Appeals, Eleventh Circuit; 1990, U.S. Court of Appeals, Second Circuit; 1992, U.S. District Court, District of Connecticut; 2002, U.S. Supreme Court. **Education:** Columbia University (B.A., 1975); New York University (J.D., 1978). Author: "Why Funds Opt Out of Class Actions," Pensions & Investments, Feb. 20, 2006. Panelist: "Complying with Your Fiduciary Obligations as a Public Fund Board Member," Fire and Police Pension Funds Forum; "Fiduciary Responsibilities: Keeping Your Board and Yourself Honest," Public Fund Boards Forum, 2000; "Maximizing Return on Class Action Litigation," Public Funds Summit; "Investment Litigation by Pension Funds 201," Council of Institutional Investors, 2001 and 2002. Vice President for Student Affairs, Columbia College Alumni Association, 1998—. **Member:** New York State and American Bar Associations; National Association of Public Pension Attorneys; Federal Bar Council. **Reported Cases:** Di Rienzo v. Phillip Services Corp., 294 F.3d 21 (2d Cir.), cert. denied, 123 S.Ct. 556 (2002); In re WorldCom, Inc. Securities Litigation, 2004 WL 2549682 (S.D.N.Y. Nov 10, 2004); In re CINAR Corp. Securities Litigation, 186 F.Supp.2d 279 (E.D.N.Y. 2002). **Email:** Neil.L.Selinger@lowey.com **AV Peer Review Rated**

David C. Harrison, (Member) born Philadelphia, Pennsylvania, February 23, 1955; admitted to bar, 1981, New York and U.S. District Court, Southern District of New York; 1984, U.S. Court of Appeals, Eighth Circuit; 1986, U.S. Court of Appeals, Seventh and Eleventh Circuits; 1987, U.S. Court of Appeals, Second Circuit. **Education:** Villanova University (B.A., 1977); New York University (J.D., 1980; LL.M., 1983). Phi Kappa Phi. **Member:** New York State and American Bar Associations. **Email:** David.C.Harrison@lowey.com

Richard W. Cohen, (Member) born Pittsburgh, Pennsylvania, June 23, 1954; admitted to bar, 1981, New York; 1984, U.S. District Court, Southern and Eastern Districts of New York; 1989, Pennsylvania; 1995, U.S. Court of Appeals, Second Circuit; 1996, U.S. District Court, Eastern District of Pennsylvania and U.S. Court of Appeals, Third Circuit; 1999, U.S. District Court, Eastern District of Michigan; 2001, U.S. Court of Appeals, Sixth Circuit; 2004, U.S. Court of Appeals, First and Eleventh Circuits. **Education:** Georgetown University (A.B., 1977); New York University (J.D., 1980). Member, Journal of International Law and Politics, 1978-1979. Panelist, Health Care Antitrust Forum, Northwestern University School of Law, 2000. **Reported Cases:** Main Drug, Inc. v. Aetna U.S. Healthcare, 475 F. 3d 1228 (11th Cir. 2007), dismissing Appeals from 455 F. Supp. 23 1323 (M.D. Ala. 2006) and 455 F. Supp. 2d 1317 (M.D. Ala. 2005); Delcath Systems, Inc. v. Ladd, 466 F.3d 257 (2d Cir. 2006); Salomon Bros Mun. Partners Fund, Inc. v. Thornton, 410 F.Supp.2d 330 (S.D.N.Y., 2006); In re Cardizem CD Antitrust Litig., 391 F.3d 812 (6th Cir. 2004); In re Warfarin Sodium Antitrust Litig., 391 F.3d 516 (3rd Cir. 2004); In re Terazosin Hydrochloride Antitrust Litig., 220 F.R.D. 672 (S.D. Fla. 2004); In re Cardizem CD Antitrust Litig., 332 F.3d 896 (6th Cir. 2003); Desiano v. Warner Lambert Company, 326 F.3d 339 (2d Cir. 2003); meVC Draper Fischer Jurvetson Fund, Inc., v. Millennium Partners, 260 F.Supp. 2d 616 (S.D.N.Y., 2003); Millenco L.P. v. meVC Draper Fischer Jurvetson Fund I, Inc., 824

A2d (Del. Ch. 2002). *Email: Richard W. Cohen* **AV Peer Review Rated**

Thomas M. Skelton, (Member) born Huntington, New York, September 2, 1965; admitted to bar, 1992, New York; U.S. District Court, Southern and Eastern Districts of New York. **Education:** Providence College (B.A., magna cum laude, 1987); Fordham University School of Law (J.D., 1991). Recipient, American Jurisprudence Award, Remedies, Member, Fordham Law Review, 1990-1991. Panelist, "Estimating Damages in Securities Litigation," Law Seminars International, 2004-2006. **Reported Cases:** Higgins v. New York Stock Exchange, Inc., 806 N.Y.S.2d 339 (Sup. Ct. N.Y. 2005); In re DaimlerChrysler AG Securities Litigation, 216 F.R.D. 291 (D.Del., Jun 11, 2003); In re DaimlerChrysler AG Securities Litigation, 247 F.Supp.2d 579 (D.Del., Mar. 5, 2003); Tracinda Corp. v. DaimlerChrysler AG, 197 F. Supp.2d 42 (D.Del., Mar. 22, 2002); Doft & Co. v. Travelocity com Inc., 2004 WL 1142338 (Del Ch., May 20, 2004, modified June, 2004); Lewy 1990 Trust ex rel Lewy v. Investment Advisors, Inc., 650 N.W.2d 445 (Minn App., 2002). *Email: Thomas M. Skelton*

Peter D. St. Phillip, Jr., (Member) born Summit, New Jersey, October 1, 1967; admitted to bar, 1993, New Jersey; 1994, Pennsylvania, U.S. District Court, District of New Jersey and U.S. Court of Appeals, 3rd Circuit; 1995, U.S. District Court, Eastern District of Pennsylvania; 1997, U.S. District Court, Southern District of New York; 1999, U.S. District Court, Eastern District of Michigan; 2000, U.S. Court of Appeals, Sixth Circuit; 2004, New York and U.S. Court of Appeals, First Circuit. **Education:** Trinity College (B.A., 1990); Seton Hall University School of Law (J.D. cum laude, 1993). Member, Appellate Moot Court Board. Adjunct Professor of Law, Appellate Advocacy, Seton Hall University School of Law, 1993-1994. Staff Attorney, U.S. Court of Appeals, Third Circuit, 1993-1994. **Reported Cases:** Roussos v. Menifee, 122 F.3d 159 (3d Cir. 1997); In re Cardizem CD Antitrust Litig., 332 F.3d 339 (6th Cir. 2003); Desiano v. Warner Lambert Co., 326 F.3d. 339 (2d Cir. 2003). *Email: Peter D. St. Phillip, Jr.*

Gerald Lawrence, (Member) born Philadelphia, Pennsylvania, January 10, 1968; admitted to bar, 1993, Pennsylvania; 2006, New York. **Education:** Georgetown University (B.S.B.A., 1990); Villanova University (J.D., 1993). Recipient, Dean's Citation, Georgetown University. Author: "Marketing the Spread - What Is It and What Are Payors Doing About It?" Health Lawyers News, September 2006; "Boosting Your Pharmacy Bottom Line Through Overcharge Recovery," Best's Review, April 2006. Lecturer, "Perspectives on Alternative Dispute Resolution", Pennsylvania Bar Association, Mid Year Meeting, Mexico, January 2002. Commissioner of Elections, Delaware county, Pennsylvania, 2004—. Member, Board of Directors, James A. Finegan Internships in Government Foundation, 1996—. **Member:** Philadelphia, Pennsylvania (Member: Judicial Campaign Advertising Board, 1996—; Judicial Selection and Administration Committee, 1995—; Ad Hoc Committee to Develop Judicial Campaign Advertising Guideline, 1995) and American (Vice-Chairman, Business Torts Committee, 1997-2002; Member, Litigation Section) Bar Associations; American Trial Lawyers Association, 1994-1998. **Reported Cases:** United States of America v. Galati, 853 F.Supp. 152 (E.D. Pa. 1994); Wolfson v. Lewis, 924 F.Supp. 1413, 24 Media L. Rep. 1609 (E.D. Pa., 1996); Wolfson v. Lewis, 168 F.R.D. 530, 25 Media L. Rep. 1016, E.D. Pa. 1996); Krueger Assoc. Inc. v. ADT Security Systems Inc., 11 F.Supp.2d 634 (E.D. Pa. 1998). *Email: Gerald Lawrence* **AV(T) Peer Review Rated**

Geoffrey M. Horn, (Member) born New York, N.Y., February 5, 1967; admitted to bar, 1994, New York. **Education:** Trinity College (B.A., 1989); Albany Law School of Union University (J.D., 1993). Recipient, West Publishing Company Prize for Achievement in Securities Law, 1993. *Email: Geoffrey M. Horn*

Jeanne D'Esposito, (Member) born Nassau, New York, November 19, 1963; admitted to bar, 1991, New York; 1993, U.S. District Court, Southern District of New York. **Education:** St. John's University (B.S., summa cum laude, 1985); University of Pennsylvania (J.D., 1990). **Member:** New York State and American (Member, Section on Litigation) Bar Associations. **Reported Cases:** DiRienzo v. Philip Services Corp., 294 F.3d 21 (2d. Cir. 2002); In re New Motor Vehicles Canadian Export Antitrust Litigation, --- F.Supp.2d ---, 2007 WL 853117 (D.Me. 2007); Brewer v. Branch Banking & Trust Corp., 2005 WL 2100995 (W.D.Ky. Aug. 26, 2005); In re Philip Services Corp. Sec. Litig., 383 F.Supp.2d 463 (S.D.N.Y. 2004); In re CINAR Corp. Sec. Litig., 186 F.Supp.2d 279 (E.D.N.Y., 2002); In re Kidder Peabody Sec. Litig., 10 F.Supp.2d 398 (S.D.N.Y., 1998); In re Kidder Peabody Sec. Litig., 168 F.R.D. 459 (S.D.N.Y. 1996); Langner v. Brown, 913 F.Supp. 260 (S.D.N.Y. 1996). *Email: Jeanne D'Esposito*

OF COUNSEL

Richard B. Dannenberg, (Of Counsel) born New York, N.Y., January 10, 1931; admitted to bar, 1955, New York; 1957, U.S. District Court, Southern and Eastern Districts of New York; 1959, U.S. Court of Appeals, Second Circuit; 1961, U.S. Supreme Court; 1978, U.S. Court of Appeals, Fifth Circuit; 1987, U.S. Court of Appeals, Third Circuit and U.S. District Court, District of Connecticut; 1989, U.S. Court of Appeals, First Circuit. **Education:** Duke University (A.B., magna cum laude, 1952); Yale University (LL.B., 1955). Phi Beta Kappa. Federal Court Mediator, U.S. District Court, Southern District of New York, 1996—. Adjunct Professor, Pace University School of Law. Advisor to the Securities Arbitration Clinic. Member Advisory Council, Pace Investor Rights Project. Member, Pace Law School Investor Rights Advisory Council, 2003—. Trustee and Member, Executive Committee, Westchester County Arts Council, 2004—. NASD, NYSE and AAA Arbitrator. **Member:** The Association of the Bar of the City of New York (Member, Committees on: State Courts of Superior Jurisdiction, 1968-1972; Federal Courts, 1974-1977); New York State Bar Association; Federal Bar Council. *Email: Richard B. Dannenberg* **AV Peer Review Rated**

Stacey E. Blaustein, (Associate) born New York, N.Y., March 1, 1961; admitted to bar, 1989, New York; 1992, U.S. District Court, Southern District of New York; 1993, U.S. District Court, Eastern District of New York; 2004, U.S. Supreme Court. **Education:** Barnard College, Columbia University (B.A., 1984); Emory University (J.D., 1988). **Member:** The Association of the Bar of the City of New York (Member, Committee on Federal Legislation, 1995-1997); New York State and American Bar Associations; Westchester Women's Bar Association. *Email: Stacey E. Blaustein*

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Scott Vincent Papp, (Associate) born Queens, New York; admitted to bar, 2003, Connecticut and New York; 2005, U.S. District Court, Southern and Eastern Districts of New York. **Education:** State University of New York at Albany (B.A., 1992); Pace University (J.D., cum laude, 2003). Recipient, Pace Clinical Award for Achievement in Securities Arbitrations, 2003. **Member:** New York County, New York State and American Bar Associations. **Practice Areas:** Securities Litigation; Antitrust. *Email: Scott Vincent Papp*

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EXHIBIT 4

ATTORNEY CERTIFICATION

RICHARD BEMPORAD declares and certifies as follows:

1. I am a principal of Lowey Dannenberg Bemporad Selinger & Cohen, P.C., which has been retained as counsel for Southern in connection with its application for appointment as Lead Plaintiff under the Private Securities Litigation Reform Act of 1995, Pub. L. No. 104-67, 107 Stat. 737 (1995).

2. Pursuant to Local Rule 3-7(d), I affirm that I do not own or otherwise have a beneficial interest in Luminent stock or options.

I declare under penalty of perjury, under the laws of the United States, that the foregoing certification is true and correct, this 8th day of October, 2007.


RICHARD BEMPORAD

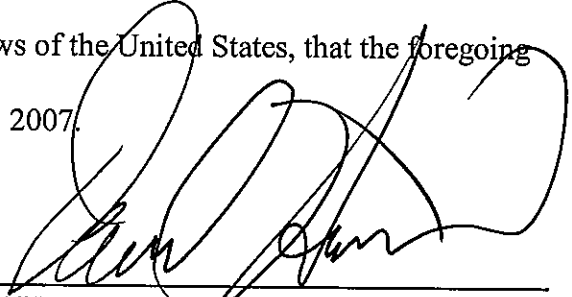
ATTORNEY CERTIFICATION

DAVID C. HARRISON declares and certifies as follows:

1. I am a principal of Lowey Dannenberg Bemporad Selinger & Cohen, P.C., which has been retained as counsel for Southern in connection with its application for appointment as Lead Plaintiff under the Private Securities Litigation Reform Act of 1995, Pub. L. No. 104-67, 107 Stat. 737 (1995).

2. Pursuant to Local Rule 3-7(d), I affirm that I do not own or otherwise have a beneficial interest in Luminent stock or options.

I declare under penalty of perjury, under the laws of the United States, that the foregoing certification is true and correct, this 8th day of October, 2007.



DAVID C. HARRISON

ATTORNEY CERTIFICATION

JEANNE D'ESPOSITO declares and certifies as follows:

1. I am a principal of Lowey Dannenberg Bemporad Selinger & Cohen, P.C., which has been retained as counsel for Southern in connection with its application for appointment as Lead Plaintiff under the Private Securities Litigation Reform Act of 1995, Pub. L. No. 104-67, 107 Stat. 737 (1995).

2. Pursuant to Local Rule 3-7(d), I affirm that I do not own or otherwise have a beneficial interest in Luminent stock or options.

I declare under penalty of perjury, under the laws of the United States, that the foregoing certification is true and correct, this 8th day of October, 2007.


JEANNE D'ESPOSITO